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Senate Group May Intercede in Net Rules

Industry's Leaders Plead Strong Case

STRONG indication that the Senate Interstate Commerce Committee will intercede in the fight of the broadcasting industry to stave off the "death sentence" chain-monopoly rules promulgated by the FCC, to become effective Aug. 2, were given by committee members after three weeks of hearings on the White Resolution proposing a Congressional investigation of the regulatory body.

Sentiment in favor of drafting a new statute, clearly defining the functions of the FCC, developed following testimony of such industry figures as William S. Paley, president of CBS, and Niles Trammell, NBC president. They, along with others, bitterly contested the new network rules promulgated by FCC Chairman Fly and his majority colleagues and argued point by point against them and against Mr. Fly's earlier testimony in their support. Criticism of the FCC chairman became intense at times.

The hearings on the White Resolution still were in progress when Chairman Wheeler (D-Mont.) clearly indicated he felt a new law should be drafted, and concluded that the "monopoly" rules go too far in certain particulars, mentioning specifically the proposed time option ban. Senator Wheeler predicted that new legislation would be introduced.

Wheeler on Tour

The hearings were recessed last Friday, subject to the call of the chair. Senator Wheeler left for a speaking tour in the Midwest and South but planned to return about June 25. There was possibility he might call a hearing for a day or two in the hope of concluding the proceedings. On the other hand, if that could not be done, it was considered likely the hearings would go over until about July 8 or 9, after he completes the second leg of his tour. Senator White has been in somewhat frail health and left for Maine for a brief vacation, but planned to return whenever the hearings are resumed. Only three or four additional witnesses remained to be called, with the last witness to be FCC Chairman Fly, who had asked for an opportunity to present "rebuttal testimony".

There was also the possibility that network spokesmen would seek an opportunity to "rebut the rebuttal" if the chairman left any issues hanging in the balance.

Approval Uncertain

In some quarters concern was evinced over the indicated delay in committee action, since the controverted regulations, which would remake the whole commercial fabric of broadcasting, are slated to become effective within such a short time. It was felt by committee members, however, that the FCC would not seek to enforce the rules while the committee had the subject of new legislation pending. The likely course seen was a voluntary postponement of at least 30 or 60 days, ordered by the FCC, during which it was presumed new legislation would be introduced.

Complete running story of last week's hearings before the Senate Interstate Commerce Committee on the White Resolution will be found on Page 34.

There was no assurance that the White Resolution, because of its unorthodox status, would be approved by the committee. Several Senators, during the course of the hearings, advocated remedial action but indicated, as did Chairman Wheeler, that a reappraisal of the law in the form of new legislation would be the most desirable course.

One prevalent view was that new legislation might be offered promptly and that the FCC thereby would be impelled to hold up its regulations, or at least the most controversial ones, until a clear-cut expression from Congress is forthcoming. More than a dozen industry witnesses, who paraded before the committee last week, forcefully supported the White Resolution and implored the committee to check the reckless pace of the FCC majority, which they said would undermine commercial broadcasting and probably result in eventual Government ownership.

Both Messrs. Trammell and Paley berated the FCC for seemingly favoring MBS while forcing their own networks to knuckle down to rigid new regulatory requirements. Mr. Paley asserted the Commission "strives and strains to injure Columbia and NBC and help Mutual." Mr. Trammell called the rules "brutal" and predicted that if NBC is forced to divest itself of the Blue Network, it will be only a matter of time before the Commission orders further restrictions and eventually Congress will find that "Chairman Fly has taken over the entire radio industry".

Blue Sale Deferred

Meanwhile, at the other end of Pennsylvania Avenue, the FCC majority held frequent huddles, presumably plotting means of offsetting industry gains before the committee. Chairman Fly disclosed that the FCC voluntarily had modified its rules so NBC would not be forced to dispose of the Blue by Aug. 2 and so stations could continue to affiliate with NBC beyond that date. He followed that up with a letter to Chairman Wheeler, essaying to offset some of his testimony which had been controverted by industry witnesses.

Something more than a new fufore, however, was precipitated with the disclosure that the FCC, at a meeting last Tuesday, tacitly approved a form of contract drafted by MBS, only supporter of the FCC rules, designed to show that contractual arrangements could be made with affiliates to conform with the regulations [see page 10]. Regarded as a "maneuver" to win committee favor, this action was protested by the FCC minority of Commissioners T. A. M. Craven and Norman S. Case, who dissented from the rules originally.

The minority voted against the action on the ground that the Commission had no such authority under the Supreme Court decision in the Sanders case restraining it

Newspaper-Radio Committee Is Granted Delay to July 23

ACTING on the petition filed by Harold Hough, chairman of the Newspaper-Radio Committee, the FCC announced Friday that it has postponed until July 23 the opening of hearings originally scheduled to begin June 25 under Order 79 to determine policy and rules governing newspaper operation of FM stations and future applications by newspaper interests for standard broadcast stations.

The Hough committee had asked for postponement until Sept. 15 [see earlier story on page 12] but Chairman Fly told BROADCASTING the date was moved up in order to avoid "unnecessary delay". He said he wants the matter disposed of as "expeditiously as possible in consideration of all interests" but he indicated another postponement might be considered "if an urgent case is presented".

The Commission, which usually adjourns during the summer months with the exception of one or two members who remain to handle routine, has not yet determined whether it will sit en banc or name a committee to conduct the hearings.

Mr. Fly foresaw the possible need of two sessions, the first to hear factual and statistical data from the Newspaper-Radio Committee's witnesses, and the second to consider studies being conducted by research men of that committee and by FCC experts.

The reason for the haste, it was indicated, is that there are so many newspaper applications on file that the Commission wants to arrive at policy determinations without undue delay.

Representatives of the Newspaper-Radio Committee expressed disappointment that the hearings were set so early, giving them scarcely a month to prepare material which they said they could not possibly gather in that time. They were uncertain whether to ask for another postponement, but indicated the belief that perhaps the FCC will be prepared to present its data first and thus give them further time to put in their case—possibly during the second phase of the hearings.

from interfering with business practices in broadcasting. The minority took the view that even if the Commission had such authority, it would constitute a relaxation of the very rules with which the contract was designed to conform. Under the contract, it was argued, stations would not become "free agents". Moreover, the minority held it had not been given sufficient time to study the matter.

During the three weeks of hearings, the committee thus far has heard Chairman Fly and Messrs. Alfred J. McCosker, Louis G. Caldwell and Fred Weber, for MBS; Commissioners Craven, Mark Ethridge, Mr. Paley and Judge John J. Burns, for CBS; Mr. Trammell and Duke M. Patrick, for NBC; Paul W. Morency, general manager of WTIC, Hartford, as vice-chairman of IRNA; John J. Gillin Jr., general manager of WOW, Omaha, as an independent spokesman; Samuel H. Cook, president of WFBL, Syracuse, in a similar capacity; NAB President Neville Miller; Clarence Wheeler, WHEC, Rochester; Jonas Weiland, WFTC, Kinston, N. C.; J. W. Lee, KGFF, Shawnee, Okla.; Seymour Krieger, FCC legal dept.; C. P. Hasbrook, WCAX, Burlington, Vt.; Hope H. Barroll Jr., WFBR, Baltimore; Frank C. Goodman, Federal Council of Churches of Christ in America; Edward J. Heffron, National Council of Catholic Men; Mrs. Helen Wiley, General Federation of Women's Clubs.

Others to Appear

There was the possibility that other members of the FCC would be called prior to final "rebuttal testimony" of Chairman Fly. A number of parties who had requested time, all in opposition to the rules, were asked to submit statements for the record.

Totally aside from the sharp and ofttimes personal criticism leveled against the rules and Chairman Fly, were repeated observations of committee members regarding other industry activities, particularly from the programming end. Chairman Wheeler made much ado about "soap dramas", criticizing them as bad radio. He also took the lead in assailing network commentators and individual stations for allegedly failing to give equal time to both sides of controversial issues, particularly in connection with the present isolationist-interventionist fight on the war. This was picked up by other committee members.

On the business side, Chairman Wheeler repeatedly urged that networks, stations and the AT&T attempt to work out means by which all network programs could be provided smaller stations in remote and rural areas. He likewise urged that steps be taken by the FCC if necessary, to bring down the costs of wire lines with the larger, more successful stations carrying the burden for their ill-fed colleagues. When it was brought out that the three networks spend approximately $7,000,000 for line charges, representing about 10% of the 1940 gross income of the networks, committee members urged that something be done.

NETWORK HEADS ASSAIL RULES

MR. PALEY

MR. TRAMMELL

Practical Objections

Every one of the rules promulgated by the FCC was assailed vigorously by witnesses for the industry on practical as well as jurisdictional grounds. Chairman Fly, who had repeatedly criticized the "two New York corporations" in his four days of testimony, was bombarded by the NBC and CBS heads. Even CBS, through its counsel, Judge Burns, vehemently attacked the rule that would force NBC to divest itself of the Blue, calling it "vicious" and unparelleled in regulatory annals.

From CBS President Paley, the committee heard a castigation of the regulations that brought from Chairman Wheeler the admission that he had been "convinced" there should be "time options" but had not been convinced exclusive affiliation contracts should be continued. The unusual spectacle of a witness interrogating a committee chairman developed as Mr. Paley inquired "What's the rush?" on the regulations and asked that the White Resolution be passed.

Mr. Paley followed Mr. Ethridge on the stand, who in turn had succeeded Commissioner Craven. At the very outset the youthful CBS founder and president urged Congress to enact a new law and advocated that networks be licensed—a surprise shot. He suggested the FCC be divorced from the common carrier field, supporting in this view the position taken in the past by Senator White. Mr. Paley urged that the new law clearly define the FCC's functions and that it specify fairness in dealing with controversial questions and with news, as a condition to having or holding a license.

Committee members became interested when they heard Mr. Paley denounce the new rules as having provoked a "state of terror" in radio. He charged the FCC with having acted as "complaining witness, prosecutor, judge, jury, and hangman". He attributed to Chairman Fly "sneers, speculation, inuendos and accusations" and said that after all these weeks his company was still at a loss as to how to operate a network successfully under the new rules.

Mr. Paley said that to abide by the time option ban would be "financial suicide". Without exclusivity, he predicted, it would be possible for anyone to become a network overnight, including advertisers and agencies.

Trammell Criticizes

Mr. Trammell, making his first appearance before a Congressional committee since becoming NBC president a year ago, bitterly assailed the command to sell the Blue and offered stout resistance to such a requirement. He predicted that instead of five or six networks which Chairman Fly had said could be created, the number would dwindle to three, since CBS and MBS, as well as the Red, would "raid" the affiliates of the Blue.

Taking the wind out of particular criticisms by the FCC of NBC contractual requirements, Mr. Trammell said he had asked affiliated stations to agree to the elimination of clauses in the contracts permitting NBC to cancel affiliate agreements on 12 months' notice whereas stations are bound for five years; to eliminate the requirement that rates for local business be the same as NBC network rates, and to eliminate the requirement that the station must rebate the differential between station receipts for a particular local program as against a network program. He also revealed that the total volume discount for advertisers using both the Red and Blue Network had been eliminated.

Chaos Foreseen

On the business side, Mr. Trammell predicted that under the new rules all would be chaos and confusion. He predicted stations would rush for the best feature of every network service; advertisers would try to preempt the best hours on the best stations; time brokers would inject unfair competition; advertising agencies could make their own arrangements for "front page" position with the bigger and better stations. All the advertiser has to do under the new regulations to set up a network, he declared, "is just rent a theatre and order phone lines." He called Chairman Fly's idea of network broadcasting a "scrambled system" in which the advertiser will get the corner.

FCC Crusade Against Prize Programs Threatened as Attorneys Study Statute

PORTENTS of a new crusade by the FCC against prize contest programs, on the ground that they violate the lottery statutes, are seen in Washington as a result of the increase in such features, notably in local programming.

While no formal pronouncement has been made, it is understood FCC attorneys again are looking into the "technique". If action is decided upon, it might come on application for renewals of licenses of individual stations, or the FCC again might seek to refer the cases to the Department of Justice for possible litigation.

Sought by Sponsors

Early last year, the FCC submitted to the Department a recommendation that it look into the NBC *Pot o' Gold* and other prize award programs, to ascertain whether they violated the lottery statutes. After weeks of consideration, the Department took no action, concluding that no technical violations of the statutes were involved.

Revival of the issue, however, is understood to stem from the rapid development of this type of program. While a number of network programs involve prize contests, usually there is an element of skill, such as the quiz-type feature. But the local renditions, it was pointed out, usually depend upon the spin of a wheel or the random selection of telephone numbers.

When the FCC began its onslaught a year ago, many new stations dropped the prize contest technique. After the Department of Justice had pigeon-holed the cases referred by the FCC, however, a revival set in and is gaining momentum daily, largely because of demands of advertisers.

While no indication has been given as to the status of the FCC's study, it was expected the Commission might act as soon as the current controversy over its monopoly regulations is settled either by Congressional edict or in some other fashion. In one quarter it was indicated that it will become the "next order of business".

CBS Offers Counter Proposal to ASCAP

Basic 2% Plan Also Covers M&O Group; Affiliates Are Not Bound

A COUNTER proposal for a contract to permit the return of ASCAP music to the CBS network and to the eight individual stations operated by CBS was mailed last Friday by the network to ASCAP. Terms, briefly, call for CBS to pay ASCAP 2% of the network net receipts (defined as income from gross time sales less time discounts and advertising agency commissions actually allowed), after deduction of the cost of permanent network lines and with deductions for expenses to be calculated as follows:

15% on the first $15,000,000 of net receipts; 25% on the next $5,000,000; 35% on the next $5,000,000; 45% on all over $25,000,000.

If during the term of the contract CBS should operate less than eight stations down to a minimum of three, an additional sum of $500,000 per year shall be added to the network expense deductions. If CBS M&O stations are fewer than three, CBS and ASCAP shall renegotiate the contract.

For the local station blanket license, CBS proposes 2% on net receipts (defined as gross time sales less discounts and agency commissions) from local and spot sales as averaged for the years 1936 to 1939 inclusive, and 1½% on the excess of net receipts over this average. Programs cleared and paid for at the source shall be excluded, as network programs are excluded, when figuring net receipts.

Sustaining Fees Scale

CBS proposes that station sustaining fees shall be $12 a year for stations with net receipts of less than $50,000 per year; eight times the highest half-hour card rate for stations with net receipts of between $50,000 and $150,000 per year; and 12 times the highest half-hour rate for stations with annual net incomes of more than $150,000.

On a per-program basis, the CBS proposal calls for payment of 6.66% of net receipts on commercial programs using substantial ASCAP music and 1.2% for commercial programs using ASCAP music incidentally for themes, bridges, etc. Sustaining fees under this per-program system would be 1% of net revenue which would have been received if program had been sold, but not to exceed 1½ times the station's 1940 sustaining fee.

Both blanket and per-program percentage rates as proposed, CBS says, shall apply only so long as the stations income from local broadcasting is more than $100,000 per year. If the income of any station falls below $100,000, reductions are to be made as follows:

7½% for net receipts between $80,000 and $100,000.

16% for net receipts between $60,000 and $80,000.

29% for net receipts between $40,000 and $60,000.

39% for net receipts between $25,000 and $40,000.

46% for net receipts between $15,000 and $25,000.

50% for net receipts under $15,000.

Expires in 1949

Contract is to expire Dec. 31, 1949, subject to a five-year renewal at option of licensees, at rates and terms to be fixed by arbitration.

Since the Department of Justice consent decree and this proposal call for complete clearance at the source on network programs, CBS states:

"It is obvious that this entire burden cannot be borne by CBS without assistance from stations. Accordingly, it is a condition that substantially all of the CBS affiliated stations shall agree to reimburse CBS that portion of the 2% payment on network net receipts made to ASCAP by CBS which is equal to 2% of network payments to stations. The balance of this 2% to ASCAP will be borne by CBS."

Proposal calls for ASCAP to agree that CBS need not pay on network revenue from sale of time on stations in States with laws prohibiting ASCAP operations. ASCAP has already agreed to this provision, CBS reports. Licenses for FM, television, shortwave and experimental stations owned by regular licensees shall be available at a nominal fee, the proposal states, and all claims of ASCAP and its members against licensees shall be released.

IRNA Committee Approves

Copies of the proposed contract were mailed to CBS affiliates also, with letters explaining that CBS did not make a counter proposal to ASCAP sooner because of the Supreme Court decision regarding ASCAP operations in Florida and Nebraska, which the proposed contract covers, and because ASCAP had repeatedly said it could offer no better terms than those given MBS. CBS has discovered that this last does not prevent ASCAP from considering terms offered to it, however.

Contract proposed by CBS covers only the network and its M&O stations, the letter points out, and no affiliate is bound by it to make a deal with ASCAP, although under the terms of the consent decree, ASCAP is bound to offer the same terms to other networks and stations. Letter also states that the proposal was examined by the IRNA committee for CBS affiliates —I. R. Lounsberry (WGR), Don S. Elias (WWNC), John A. Kennedy (WCHS)—each of whom said he would accept such an ASCAP contract for his station.

* * *

BMI Makes Ask Ruling

ASKING the New York Supreme Court to settle the moot question of control of performance rights to musical compositions, BMI and Edward B. Marks Music Corp. last week commenced suit against ASCAP in a test case that seeks no damages but requests that "the court declare the rights and other legal relations of the plaintiffs and ASCAP" in certain musical numbers. When served with papers in the suit, John G. Paine, general manager of ASCAP, termed the case "an admission by the major networks of their urgent need for the Society's music even in small quantities."

Compositions chosen for the test suit are *Bluer Than Blue* by Lew Pollack and Tot Seymour, *You Fit Into the Picture* by Bud Green and Jesse Greer, and *Mississippi River* by J. Rosamond Johnson and Frank Abbott. All these writers except Abbott are members of ASCAP.

When the Marks company resigned its ASCAP membership at the close of 1940, it granted all performance rights in the works included in its catalog to BMI. A number of these works are currently being performed by BMI licensees, but BMI says that about 10,000 other compositions in the Marks catalogs, which were written by ASCAP members during the period of their ASCAP membership, have not been performed as ASCAP has asserted certain rights in them.

Ownership Rights at Stake

Under agreements between ASCAP writers and their publishers, a BMI executive stated, the writers assign all of the performing rights in their works to the publishers. Therefore, Edward B. Marks Music Corp. claims ownership of the compositions named in the suit. ASCAP, according to BMI, "has not hitherto made clear whether it contends that the performing rights under these works are the property of ASCAP's publisher members or its composer members."

The suit is intended to secure a court ruling on the ownership of these rights so that the numbers may be available for performance, BMI declares, pointing out that clarification of the issues will be beneficial to writers, publishers and to the public as ASCAP's claims have so far resulted in preventing the performance of these works.

* * *

ASCAP Preparing Own Suit

In the preparation of the ASCAP damage suit against the NAB, BMI, NBC, CBS and "others who appear to be involved in the combination against ASCAP" [BROADCASTING, June 16], ASCAP has engaged David L. Podell, well-known trial attorney, to assist its own general counsel, Schwartz & Frolich, in the prosecution of the case. Although both officers and attorneys of ASCAP refused to discuss details of the proposed action, it is understood that a number of individual stations, advertisers and advertising agencies may be included among the defendants.

Such action, it was explained, would enable ASCAP counsel to go more deeply into the contractual relations of the networks with their affiliate stations and with their advertising clients than might otherwise be admissible. Mr. Podell has been given a leave of absence to handle the ASCAP suit.

Although the attendance of NBC and CBS chief executives at the Senate Interstate Commerce Committee hearings on the FCC network monopoly regulations in Washington has served to interrupt the progress of their negotiations with ASCAP, it was learned that the conversations will be resumed this week regardless of the proposed ASCAP suit.

Trammell's Wire

Niles Trammell, NBC president, early last week sent ASCAP a telegram expressing surprise at the announcement. Informal conversations between network and ASCAP officials have disclosed a mutual willingness to continue their attempts to come to an agreement for the return of ASCAP music to the networks, he said.

Meanwhile, MBS has invited the publisher members of ASCAP to attend a luncheon July 1, at which Fred Weber, MBS general manager, and other network spokesmen will explain the network's methods of operation. It was said that a number of misconceptions about MBS are prevalent among the music men which have prevented the fullest exploitation of their tunes on Mutual programs. A second Mutual luncheon with orchestra leaders as guests, will be held within the following day or two. The luncheons were originally scheduled for this week but were postponed due to the Senate hearings in Washington.

Fla. Citrus Meeting

FLORIDA Citrus Commission will meet in Lakeland June 26 to consider advertising plans for 1941-42, and to decide on retention of Arthur Kudner Inc., New York, or selection of another agency to handle the account.

Revised MBS Contract Form Is Granted Approval of FCC

Said to Comply With New Network Regulations; Placed in Senate Committee's Record

GRANTING what was regarded in some circles as a declaratory ruling, the FCC majority in an unprecedented action last Tuesday gave its approval to a proposed affiliation contract form developed by MBS for use in its dealings with MBS affiliates under FCC monopoly regulations.

Approval of the proposed form was voted by Chairman James Lawrence Fly, Commissioners Thompson, Payne and Wakefield, with Commissioners Case and Craven dissenting and Commissioner Walker not participating.

Although it was emphasized that the FCC did not formally pass upon the validity of the contract form, and that continuing study will be given to developing network-station relations under such contracts, it was held that the new form, as the FCC understood operations intended thereunder, will comply "with the letter and spirit of the regulations".

In Hearing Record

When a copy of the new form was introduced into the record at the Thursday morning session of the Senate Interstate Commerce Committee's hearings on the White Resolution, it created a flurry of excitement, especially among representatives of the other networks. The move was interpreted by many as another attempt by MBS to grab the ball in an effort to show that network operations would be feasible under the FCC's network regulations.

The contract form, which was approved by MBS stockholders last Tuesday night at the stockholders' meeting in New York, is described as non-exclusive, containing no provision for option time, providing opportunity for stations to determine network affiliation at yearly intervals, and insuring station responsibility in selecting and rejecting programs.

The dissent of Commissioners Case and Craven held that the FCC was exceeding its authority in giving tacit approval to the MBS contract, citing the Supreme Court opinion in the Sanders Bros. case that the FCC should have nothing to do with the actual business operations of broadcasting.

According to an analysis of the proffered contract form developed by the FCC legal department, no provision is made in the agreement for penalizing affiliates for broadcasting programs of any other network. Under terms of the agreement, both the network and affiliated stations are to publicize each other, although this does not prevent the station from accepting programs from a competing network, the law department reported.

The new form also provides that affiliates will not discriminate against MBS in acting on requests for the same period of time as other networks, and the station will adhere to a first-come-first-served principle, it was stated.

Under terms of the agreement, affiliates would have first call on MBS commercial and sustaining programs in the community served by each affiliate. It was also provided that stations may carry commercial programs, via transcription, at a substitute time if an arrangement can be reached satisfactory to the station, the network and the advertiser. The network and the station concerned may mutually decide on the matter of carrying transcription of network sustaining programs, but if the available time is not satisfactory, MBS may offer the program to another station, although the affiliate may recapture the broad-

(Continued on page 51)

AFRA Announcers Strike at WKRC

CLIMAXING a 15-month controversy between the union and the station, four announcers of WKRC, Cincinnati, all members of the American Federation of Radio Actors, walked out on strike Friday morning. Although a picket line was maintained at WKRC studios, station operations continued uninterrupted, according to Hulbert A. Taft Jr., general manager.

"We haven't lost a minute, and we haven't lost a show or a client so far," Mr. Taft advised BROADCASTING. "I think the situation is well in hand."

According to Mrs. Emily Holt, AFRA executive secretary, who has been in Cincinnati participating in negotiations, this is the first AFRA strike against a station. Observing that negotiations have been going on since May 10, culminating in a 14-day session, Mrs. Holt emphasized that it was "not an outlaw strike".

The four AFRA members of a staff of 18 went on strike at 6 a.m., demanding a closed shop and minimum contracts of $50 per week for announcers, $35 for actors and singers. A small picket line was formed with the aid of AFRA members from other Cincinnati stations and the local union, it was reported. One replacement was hired immediately, and others are being considered, Mr. Taft declared. The 14 other employes are affiliated with an independent union, Radio Artists Assn., which recently petitioned the NLRB for an immediate election to determine union representation [BROADCASTING, June 9].

WGN, Chicago, joined WOR, New York, and CBS [BROADCASTING, June 16] in establishing a policy of admitting all service men in uniform to broadcasts.

Norwich Yankee Test

NORWICH PHARMACAL Co., Norwich, N. Y., on June 30 will start *What Burns You Up* in the interest of Pepto-Bismol on four Yankee Network stations: WNAC, Boston; WTIC, Hartford; WTAG, Worcester, and WEAN, Providence. Program has members of the audience relate pet peeves and embarrassing moments for cash prizes. Frances Ott is m.c. If successful, program will probably go network in the fall, according to Lawrence C. Gumbinner Adv. Agency, New York.

GRANT PURCHASES AGENCY IN MEXICO

PURCHASE of General Compania Annunciadoes, S. A., Mexico's oldest and largest advertising agency, with offices in Mexico City and Monterey, by the Grant Adv. Agency, was announced in Chicago June 18 by John C. Morrow, executive vice-president of the Grant company. Renamed Grant Advertising, S. A., its main office will be in the Guardiola Bldg., Mexico's largest building, where an entire floor has been taken. David W. Echols, formerly vice-president in charge of Grant's office, will be president of the Mexican affiliation. No staff changes are planned.

The Mexican agency has billings of $500,000 annually. The majority of its clients are large American concerns with Mexican offices.

More than ever before, Grant Adv. S. A. will promote radio. Already market, station and program surveys are under way. This, according to Mr. Morrow, has never been done in Mexico. First results on program popularity show an amazing likeness to those in the United States, with quiz and variety shows ranking high.

Will C. Grant, president of the Chicago agency, is currently in Mexico City, and will return soon.

Mr. Morrow was formerly vice-president in charge of Grant's New York office. His position is now permanent in Chicago, where he is assistant to Mr. Grant.

Stauffer Leaving Y&R For Kenyon & Eckhardt

JOSEPH R. STAUFFER, manager of Young & Rubicam's Hollywood office, has been appointed radio director of Kenyon & Eckhardt, New York, succeeding Tyler Davis, radio director for five years, who has resigned as of Aug. 1.

Tom Lewis, radio manager of Young & Rubicam, has been transferred from New York headquarters to Hollywood, and in addition to his regular duties will take over management of the agency's Southern California offices effective July 1, replacing Stauffer.

Armour Spots

ARMOUR & Co., Chicago, on June 23 starts a 13-week series of 10 weekly one-minute transcribed announcements on WTOC, Savannah, Ga., and WRBL, Columbus, Ga. Sponsor will vary the products to be promoted. On May 26 a 52-week series of thrice-weekly participations on the Marsha Wheeler *Consumer Foundation* program for Treet, was started on WLW, Cincinnati. Agency is Lord & Thomas, Chicago.

Easing of Pickups Is Urged by Army

FCC Asked to Lift Barriers To Quick Remote Setups

TO FACILITATE the increasing traffic in programs originating from Army camps and operations the War Department has requested the FCC to relax its rules in order to simplify program pickups. Although no action has been announced on the War Department request, it is expected the FCC will grant it within a few days.

Citing situations in which it often is difficult to secure telephone line facilities in and out of an Army camp for program pickups, the War Department has asked for suspension of Section 3.408 (d) to allow use of shortwave relays instead of direct line pickups.

Line Discussions

Discussions have been in progress for several weeks between E. M. Kirby, civilian advisor to the radio section of the War Department Bureau of Public Relations and New York and Washington representatives of the AT&T long lines department in an effort to alleviate the line situation.

Another exception concerns Section 4.21, which would be suspended to allow remote high-frequency pickups direct from Army aircraft, tanks, etc., during maneuvers immediately upon request by the Army. This would speed up operations, it was held, since participating stations would not have to take up time clearing the request for permission for the special pickup through the FCC.

The FCC in mid-June gave the War Department assurance that instances where incidental personal messages are included in transcribed programs originating at Army camps will not be questioned. The ruling, which came after the War Department requested the FCC's reaction, indicated that the rule barring point-to-point or personal communication is clearly aimed at preventing use of a broadcast station as a common carrier. The length of time necessarily elapsing between recording and broadcasting removes any element of competition with other common carriers, it was held, and the character of the program is clearly in the public interest.

General Cigar Renews

GENERAL CIGAR Co., New York (Van Dyck cigars), is renewing *Answer Man*, quarter-hour quiz program heard live twice weekly on WGN, Chicago, and KOIL, Omaha; and via transcription on WHO, Des Moines; WDAF, Kansas City; WKY, Oklahoma City; KSTP, St. Paul; KTUL, Tulsa; KSD, St. Louis. Agency is Federal Adv. Agency, New York.

WIBC, Indianapolis, on June 1 joined MBS at the same time started fulltime operation on 1070 k 5,000 watts day and 1,000 night power WIBC replaces WIRE as the Mutu affiliate in Indianapolis. WIRE co tinuing as an NBC-Red outlet.

All-Out for the Battle of Vitamins

Newest Medicinal Rage, Neglected by Radio, Is a Likely Prospect

IF THERE'S one thing the American public likes its pills, especially new kinds. Newest of the achievements of the pill entrepreneurs is the vitamin concentrate. This swiftly zooming industry, a natural prospect for broadcasting, has used some radio, but so far only the surface has been scratched. To analyze the vitamin industry from two angles, *Broadcasting* assigned Wallace Werble, editor of Food, Drug & Cosmetics Reports, to explore the subject from the marketing end, and S. J. Paul, of the *Broadcasting* New York staff, to the advertising angles.

NEWEST prospect for the broadcast salesman is the vitamin concentrate industry, now entering mass distribution. Riding the crest of a wave of popular demand, this vast potential source of radio advertising for some unknown reason has been scarcely touched.

Reported entry of Lever Bros., Cambridge, Mass., into the vitamin concentrate field has focused interest on this natural prospect for the broadcast medium. In fact, the vitamin industry provides one of the phenomenal success stories of American business.

Drug Firms Active

Sales trends coupled with government regulation of advertising and labeling in the proprietary drug field have given rise to the belief that the "smart" companies are deliberately adding vitamin products to their lines as insurance against the day when sales of the major drug products might begin to slip in a big way.

At least this is the explanation offered for the fact that at least three leading factors in the proprietary drug field have added vitamin products in the last year—Vick Chemical Co., New York, bought the already successful "Vitamin-Plus" product; Miles Laboratories, Elkhart, Ind., added a capsule known as "One-A-Day"; and Plough Inc., Memphis, placed an all-purpose vitamin supplement on the market.

In addition to Lever, and those listed above, among other firms already in the field or planning to enter are the following: William R. Warner & Co., New York; Norwich Pharmacal Co., Norwich, Conn.; Lambert Pharmacal Co., St. Louis; Pepsodent Co., Chicago; Kroger Grocery & Baking Co. This list is by no means complete.

In addition to nationally advertised products distributed for sale direct to the consumer are hundreds of so-called private brands—non-advertised brands prepared under individual labels for department stores, chain drug stores, and even in some instances large individual retail drug stores. These private brands give local stations a place in the vitamin advertising sun.

Likewise, there are several hundred vitamin and mineral preparations distributed by the so-called "ethical" pharmaceutical houses—Squibb, Parke-Davis, Upjohn, Abbott, etc.—preparations distributed primarily to be sold on the prescription or advice of a doctor. Although these products are not advertised for direct sale to the consumer, large amounts are annually bought without prescriptions—by word-of-mouth advertising from one who has had a product recommended by his doctor.

The Commerce Department's 1939 Census of Manufacturing shows that production of vitamin products rose from $27,098,000 in 1937 to $41,644,000 in 1939—an increase of 53.3% in two years. During the same two years, the production value of all drugs advertised for direct sale to the general public went down from $184,000,000 to $166,000,000.

Swiftly Upward

There are no accurate figures on retail sales value of vitamin products—the Census Bureau figures represent production value only, and there is a big retailer profit in vitamin concentrates ranging around 33⅓% on advertised brands. However, Dr. Morris Fishbein, editor of the *Journal of The American Medical Assn.*, estimates that retail sales of vitamin products totaled $100,000,000 in 1940, which can be compared with similar estimates of $500,000 in 1932, when the industry was just getting under way.

The vitamin concentrate industry must be differentiated from the promotion of normally rich vitamin-mineral natural foods or the enrichment with vitamins and minerals of foods low in those elements.

Radio was slow on the uptake so far as the vitamin-mineral food picture was concerned, but the new "enriched" bread and flour program [BROADCASTING, April 21], as well as the recent National Defense Nutrition Conference in Washington [BROADCASTING, June 9], apparently have resulted in a realization by radio of the advertising potentialities in the vitamin-mineral nutrition field.

As a matter of fact, this is one of the reasons that makes the vitamin concentrate field an even "hotter" radio advertising prospect. Concentrates now have competition and the stage is set for an "all-out" major "Battle of the Vitamins" next fall. Both sides have a story to tell, and this should bode no ill for the wide-awake radio time salesman.

Until now, sales of vitamin-mineral concentrates have zoomed without high-pressure radio promotion—the American public just took to concentrates naturally. Always a lover of pills, the American people didn't have to be pushed into taking magical capsules that contained mysterious vitamins and minerals about which scientists and scientific writers had been talking so enthusiastically for several years.

But now the story is different. Government officials and nutritionists talking to over 700 doctors, home economists, social workers, educators, public health workers and food industry representatives at the National Defense Nutrition Conference stressed the fact that Mr. and Mrs. Average American do not need vitamin and mineral concentrates to assure themselves of an adequate diet. The main theme of the conference was that the U. S. public could get all the vitamins and minerals necessary from eating everyday food—eating plenty of the right kinds of food in the right proportions. In other words, the housewife can get her family's supply of vitamins and minerals in the grocery store and does not need to go to the drug or department store for concentrates.

Food Industry to Reply

Typical of the comments made at the conference along this line are:

The Food & Nutrition Committee of the National Research Council, a quasi-Governmental agency acting as the spear-head of the new nutrition promotion campaign, reported that proper amounts of the various nutrients, with the exception of Vitamin D which can be obtained by exposure to the sun, can be obtained through a good diet of natural foods.

The Public Health and Medical section of the Conference recommended, "The recognition that robust health should be preserved by the use of adequate diets where available and that vitamin pills and concentrates of adequate potency be used only to supplement diets which are necessarily inadequate and by physicians for the treatment of deficiency diseases."

The food industry is expected to take up this battle-cry for its fall advertising promotions. Against this, the concentrate industry will have to do a selling job of its own if it is to continue in the "big business" field. The answer will probably run along these lines: Humans being what they are, and modern civilization being what it is, the idea of getting all vitamins and minerals from good foods is, from a practical standpoint, a utopian ideal.

Thus, since science has not been able to find anything to show that vitamins and minerals can be harmful no matter how large the intake, it is better to be on the safe side, via a vitamin-mineral concentrate known to contain the proper amounts, than to depend on diet to prevent deficiencies. Probably there are other points on the side of vitamin-mineral concentrates, but there is no need to outline them here when advertising time is available for this purpose.

AMA Opposition

There is another reason why the concentrate distributors have a major public relations job to do. The medical profession has not taken kindly to the sale of vitamin-mineral concentrates direct to the laity without benefit of a doctor's advice. From statements made by Dr. Fishbein, it is apparent that the AMA would like to have foods as the primary sources of vitamins and minerals, with capsules reserved for use only on prescriptions or advice of the doctors.

Tied into this is a side campaign being conducted by the druggists. On the theory that vitamin capsules are drugs, retail drug groups have been working to restrict the sale of such products to drug stores which make a healthy profit on this line. On the other hand, large-scale distributors of vitamin concentrates have been seeking the widest possible distribution of their products and have been using grocery stores, department stores, and beauty shops as their outlets. Kroger has been the leader in the grocery field, and "Vitamins Plus" has been the leader in the department store-beauty shop field.

In many States druggists got the upper hand when State Pharmacy Boards, which they control, ruled that concentrates were drugs and could not be sold except under the supervision of licensed pharmacists, thus leaving other methods of distribution out in the cold. Kroger bucked a State board ruling of this sort in Indiana and won a court

(*Continued on page 23*)

Radio-Press Study Now Faces Delay

Neither Side Has Case Ready; Sept. 15 May Be the Date

FAVORABLE action this week by the FCC on the petition of the Newspaper-Radio Committee for a postponement of the inquiry into joint control of stations and newspapers from June 25 to Sept. 15 is considered likely, upon recommendation of the FCC law department. While the FCC received the petition June 14 it did not act last week, awaiting staff recommendations.

The request was filed following a conference of counsel for the newspaper-radio group with FCC Chairman Fly, when it was indicated that delay of at least a month would be granted. It is generally understood that neither the FCC nor the Newspaper-Radio Committee is ready for the hearings. Moreover, several members of the Commission desire to take vacations this summer.

New York Office

The petition, filed by former Judge Thomas D. Thacher, Sydney M. Kaye and A. M. Herman, counsel for the committee, recited that the members of the Newspaper-Radio Committee, formed following issuance of the March 20 order on the inquiry, are interested in presenting a complete case. The task of gathering facts has required offices in New York, it was pointed out. Carl H. Sundberg has been employed as executive secretary and has retained counsel and experts.

The committee plans to present general data and expert testimony regarding newspaper-radio ownership and operation, the FCC was told. The committee will not represent any individual newspaper or station.

The committee felt that definition of the issues and identification of the parties interested, prior to the hearings, is necessary for the industry case.

Detailed information is not available on affiliation between newspapers and stations, either to the Commission or committee, it was stated, and an exhaustive study must be made.

Questionnaires Going Out

The committee attorneys said they had been informed the Commission is about to issue questionnaires to all station licensees, designed to aid in the definition of parties interested in the investigation. With more than 800 licensees, much of the information probably must be obtained from stockholders and other third parties. The committee said it thought the information cannot be received by June 25.

Since the information so obtained requires research and must be carefully analyzed, the attorneys concluded that a minimum of three months would be required. Therefore, it suggested the postponement to Sept. 15.

Charge of Monopoly in News Disclaimed by Harold Hough

Says Many Myths Have Developed and Points Out Fallacies in Newspaper-Radio Arguments

CONTENDING that honesty of service is the basic fundamental of success for a media serving the public, Harold V. Hough, of the *Fort Worth Star-Telegram* and chairman of the Newspaper-Radio Committee, speaking before the International Circulation Managers Assn. at the Book-Cadillac Hotel, Detroit, June 17, pointed out that just as a newspaper built up its circulation by honest reporting so those newspapers which have ventured into the radio field have built up an audience-following by those same principles.

Not a Monopoly

Belittling the FCC idea that a newspaper controlling the only radio outlet in a single community constitutes a danger to the public, Mr. Hough declared that "No one man, even if he were a big bad wolf and had all the means of communication on the ranch, could long survive if he attempted to Hitlerize the place. He would be quickly ganged."

By breaking down and analyzing the 126 newspaper-owned stations in localities where these are the sole media under the same ownership, he pointed out that 93 of these have 250 watts or less and cannot constitute a monopolistic menace. "These little so called 'threats' remind me of friendly, chummy, lightning bugs. In their own yard, they sparkle and shine—no bite, no burn", he said.

Excerpts from Mr. Hough's speech follows:

"Newspapers are naturally qualified to operate broadcasting stations, and if I may be so bold, I will contend that they are better qualified to operate broadcasting stations than many others. The reason is obviously plain. A newspaper man is trained from scratch, whether in the school of experience or in the school of journalism; that his one and only obligation is to completely and accurately serve his reading public—his only customer—his only master.

"Recently, certain folks in the FCC, in Washington, have become somewhat alarmed and, I feel, most needlessly so, at what they consider might be the possibility of future monopoly in the dissemination of news and information if newspapers are permitted to have radio stations.

"I am positive they have overlooked the vital fact that in these days, no one community can be dominated by any one single individual viewpoint. No one man, even if he were a big bad wolf and had all the means of communication on the ranch, could long survive if he attempted to Hitlerize the place. He would be quickly ganged.

"The coloring of news is practically a thing of the past, because, for one reason, it is suicide. I will admit we have a few mavericks, but they are headed for the canners. It is to be noted that the only instances where stations have been cited before the Washington Communications Commission for coloring of news have been against non-newspaper-owned stations. Newspaper-owned stations know better.

"Our Committee has been making an attempt to analyze those situations where there seems to be some affiliation between newspapers and radio stations. We don't know that our data are 100% correct, but at least it is a start on the problem.

"One of the points which seem to worry some Commissioners (FCC) is that there seems to be around 126 towns (from what we can learn) in the United States where the only newspaper and the only radio station are associated together under one ownership, operation or affiliation. And here, again, their chief anxiety is that possibility of single control of news and information. Off-hand, or when spot-lighted alone, this feature could be magnified into quite a distorted spook.

Looking Them Over

"We have nearly 900 broadcasting stations in the United States. About 290, or 32%, are the newspaper outlets. If this entire herd of one-third went loco overnight, the other two-thirds would cage them before dawn. They could not do it, even by magic.

"But getting back to the batch of 126, we find that 93 of them have power of 250 watts or less. They are local stations, and many of them would not be in existence today without newspaper support. By going a step further, we find that only 11 of the entire 126 have power above 1,000 Watts. To indi-

(*Continued on page 19*)

AMERICAN PROGRAM EXCHANGE PLANNED

PROPOSING an inter-American exchange of transcribed programs much along the lines of film exchanges, Henri Leiser, director of the Association de Radio Television y de Intercambio Panamericano, is currently visiting officials and diplomats in Washington to advance his idea as part of the Administration's Good Neighbor Policy. Mr. Leiser, a former Paris film director, is a refugee from France, having escaped just before the invasion. He is headquartered at San Miguel No. 263, Havana.

As head of ARTIP, as his organization is known, Mr. Leiser has produced one recorded program built around Cuban culture, which President Batista and the Cuban Ambassador to the United States have auditioned and acclaimed. He proposes to produce in each Latin American country a series of "complete radio programs containing the most typical manifestations of culture and art" for interchange with every other American country, syndicating the programs to the stations. Staffs would be established in each capital to produce and distribute the 15 and 30-minute transcriptions.

Mr. Leiser stated that he plans to discuss his idea with M. H. Aylesworth, recently appointed radio chief of the Rockefeller Committee in New York before formulating concrete plans for the syndicate project.

Powers in Canada

NO CHANGE in policy was made by the board of governors of the Canadian Broadcasting Corp. regarding power increase over 1,000 watts for privately-owned Canadian stations, at the Ottawa meeting June 8-10. Representatives of the broadcasters appeared before the CBC board with a request for upward power increases to conform to maximum power allowances under the Havana Treaty. The entire matter will be studied further, and a decision may be given at the next board meeting, possibly next month.

MISSOURI KERNELS, straight off the cob, and other vitamins get intense attention from this quartet of KMOX executives during the annual KMOX Employes' Picnic, held in mid-June on the Meramec River in St. Louis County. Chomping along in apparent enjoyment are (l to r) C. G. (Tiny) Renier, program director; Arthur Casey, public relations director; Ken Church (standing), sales manager; Merle S. Jones, general manager.

"GO ON, DEAR— I CAN'T HEAR THEM!"

● Acoustical engineers are funny people. Basing their judgment on facts they know about decibels and distances, they'd *swear* that Clementine, above, could hear every word that *all* those guys are saying. But Clementine is really hearing only *one* of the voices.

Out here in Iowa, we've always felt that it's less than possible to judge any station's *real audience* by the number of people who "can" hear its signal. *Now the 1941 Iowa Radio Audience Survey* proves it!*

Based on approved sampling methods, the 1941 Survey of 9,246 Iowa families proves that Iowa people actually "listen" to 30 stations. (That number were mentioned by at least 1% of all the families interviewed.)

Of these 30 stations, 15 were listed as among those "listened to most". But *LOOK!* — just like Clementine, above, Iowa people have *one* favorite voice to which *most* of them give *most* of their attention, *most* of the time. With 59.5% of them, it's WHO (nighttime). Our *next* "competition" gets 5.8%!

This is only one of many amazing facts you'll find in the 1941 Iowa Radio Audience Survey. It's the most authoritative and most helpful radio audience study you have ever seen. Write for your free copy, *today!*

* Conducted by Prof. H. B. Summers of Kansas State College and Dr. F. L. Whan of the University of Wichita.

WHO

for IOWA PLUS!

DES MOINES . . . 50,000 WATTS

J. O. MALAND, MANAGER

FREE & PETERS, INC. . . . . National Representatives

First BMI Funds Mailed Composers

Writers of Songs Are Given Two Cents Per Broadcast

BMI last week mailed checks to its authors and composers for the radio performances of their works during the first quarter of 1941, marking, said BMI, "the first time in the history of music that authors and composers have been paid performance royalties on popular music in direct ratio to the performance of their compositions in the United States."

Payments were calculated on the basis of two cents per broadcast per station, with network hookups paying off for each station carrying the program. This is twice the fee originally specified, and a similar one-cent bonus over the contract price will be included in the payments to publishers, which will be made this week.

More Than $5,000

Individual hit tunes earned their writers from $800 to more than $1,200 during the quarter, BMI stated, adding that the combined royalties of radio, sheet music and mechanical reproductions on phonograph records and transcriptions brought their authors and composers individual incomes for the three-month period of more than $5,000. For the most part, these payments are going to writers who earned no money from their talents prior to the formation of BMI, it was stated.

Explaining the increased payments for the quarter, BMI commented in the letter to its authors and composers:

"As you know, we have always been desirous of increasing the amount of payment set forth in your contract. We feel that our business experience is not yet sufficient to enable us to decide precisely what this payment should be. We are, during the present quarter, doubling the rate of payment which was tentatively established and we are paying at the rate of two cents per performance.

"Whether this figure will ultimately prove to be the correct payment to authors, we still do not know, and, therefore, the present voluntary increase does not necessarily establish any standard for the future. You may, however, count on our continued desire to see that the writers whose works we are publishing receive fair and generous treatment."

Rolls Camera Spots

PHOTO MASTER Co., Des Plaines, Ill. (Rolls camera), is currently using WHBL, Sheboygan, Wis.; WMMN, Fairmont, W. Va.; WHIZ, Zanesville, O.; WCFL, Chicago; KWFT, Wichita Falls, Tex. Programs are five minutes daily and contracts vary in length. Agency is First United Broadcasters, Chicago.

Helen Hiett, NBC Woman Commentator First of Sex to Win Headliners' Award

HELEN HIETT, NBC European correspondent now in the United States, became the first woman winner of a Headliners' Club award last Friday when she was cited for her exclusive broadcast coverage several months ago of the bombing of Gibraltar. The 1941 Headliners' awards, going to 12 news writers and photographers, a weekly newspaper, a newsreel company, and Miss Hiett, were announced at Atlantic City by Angus Perkerson, magazine editor of the *Atlanta Journal* and chairman of the National Headliners' Club award committee.

Medals Presented

Silver medallions, symbolizing the awards, are to be presented June 28 at the banquet of the club's annual Frolic in Atlantic City. Presentations will be broadcast on NBC-Blue, 7:40-8 p.m. (EDST). Some 200 leading figures in radio, newspaper, magazine and newsreel fields are expected to attend the Frolic.

The awards were made on the basis of work done between June 1, 1940, and May 20, 1941. Five awards were given for work done on foreign territory, the greatest number in the history of the awards, made annually since 1935.

During her tour of duty in Spain for NBC last fall, Miss Hiett made friends with a group of chorus girls, joining their troupe as it was on its way to entertain British troops stationed in the Rock of Gibraltar fortifications. There she witnessed the bombardment of the Rock for three days, Sept. 24-26. At conclusion of the action she revealed her identity to authorities and was released to make her broadcast from Madrid the following day. A transcript of the broadcast was released and

HELEN HIETT

used by newspapers throughout the country.

Winners of the 1941 awards, in addition to Miss Hiett, include Kenneth T. Downs, INS, for individual initiative in a news series on occupied and unoccupied France; Larry Allen, AP, spot news coverage of Mediterranean sea battles; Jan H. Yindrick, UP, exclusive coverage of the siege of Tobruk; Jay Racusin, *New York Herald-Tribune*, stories on activities of Dr. Gerhard Alois Westrick; Lyle C. Wilson, chief of the UP Washington bureau, distinctive handling of spot news story on selective service; E. E. Herwig, *Easton* (Pa.) *Daily Express*, outstanding public service series on local industries; Frank I. Weller, AP, consistently outstanding domestic feature stories; Max Haas, European Picture Service, spot news pictures on the cop-killing "Mad Espositos" in New York; Myron E. Scott, *Dayton Daily News*, pictorial feature series, "Robin the Cradle for Pictures"; *Grit*, community newspaper published in Williamsport, Pa., for unique achievement in its field; Charles H. Sykes, *Philadelphia Evening Ledger*, consistently high quality of craftsmanship of his cartoons, particularly for series on "awakening the nation"; B. D. Elliott and T. Harbine Monroe, Universal Newsreel, best domestic newsreel, the collapse of the Tacoma Narrows Bridge; Fox Movietone News, best foreign newsreel, the sinking of the French fleet at Oran.

WNEW - BMI Contract Brings Members to 686

WNEW, New York, has signed with Broadcast Music Inc. for all songs controlled or published by BMI. WNEW, the 686th BMI subscriber, was one of the first New York independent stations to sign with ASCAP.

Of the total BMI subscribers, 658 are commercial stations and 28 non-commercial. Other stations joining since April 1 when BMI's second year of operation began, are: KBIZ, Ottumwa, Ia.; WPAT, Paterson, N. J.; WWDC, Washington; WKWK, Wheeling; WHLN, Harlan, Ky.; WMRF, Lewistown, Pa.; WERC, Erie; WHOP, Hopkinsville, Ky.; WSMB, New Orleans; WJAG, Norfolk, Neb.; WAGE, Syracuse; WMVA, Martinsville, Va.; WLAG, LaGrange, Ga.; KSWO, Lawton, Okla.; WRLC, Toccoa, Ga.; WMUR, Manchester, N. H.; WJMA, Covington, Va.; WPAD, Paducah, Ky.; WHIP, Hammond, Ind.; and FM stations, W51R, Rochester; W47A, Schenectady, and W55M, Milwaukee.

Barbasol Adds

BARBASOL Co., Indianapolis (shave cream), sponsor of Gabriel Heatter's quarter-hour Sunday evening commentary at 8:45 on 14 MBS stations, on July 12 will add the commentator's Saturday broadcast at 9 p.m. on the same number of stations. On the Sunday program, company is offering to send to any U. S. soldier free of charge the duplicate of any Barbasol product purchased by a civilian who supplies the name and address of the soldier when the purchase is made. Erwin, Wasey & Co., New York, is agency.

DOWNS IS HONORED FOR HEROIC ACTION

FOR HEROISM in aiding in rescue work following his own rescue from a ship that caught fire and sank in the Atlantic, Kenneth T. Downs, International News Service correspondent, on June 14 was cited by the British Admiralty. The official citation was delivered to the INS bureau in London by Reginald Gleadowe, Admiralty secretary in charge of honors and awards. Correspondent Downs, while in the United States about six months ago, was heard in news commentaries on several American stations.

The message from Mr. Gleadowe read:

"I am commanded by my lords commissioners of the Admiralty to inform you that they have read with pleasure of the good services of Mr. K. T. Downs, of INS, who at one time during the night of April 6, during the rescue of the crew of a sinking ship, after being himself rescued, worked the telegraph on the bridge of one of His Majesty's ships, and kept an able lookout. I am requested to ask that you will convey to him an expression of their Lordships' appreciation of his zeal and skillful service."

The dramatic episode came three days after Downs had set out by sea from Glasgow for Cairo. When fire broke out aboard ship, the vessel was abandoned, and Downs and members of the crew were rescued by *H.M.S. Lincoln*, one of the 50 American destroyers transferred to Britain. Although several lives were lost in the fire, the citation indicated that the American correspondent was instrumental in keeping the toll down. At present Downs is on duty in the Near East.

News for Linit

CORN PRODUCTS REFINING Co., New York, is advertising Linit with a varying schedule of five-minute newscasts, 30-word chain-break announcements, and one-minute transcribed announcements on the following stations: KXOK KMBC WJAR KSD WDAF KSO WINS WHAS WNAC KLZ. Company is also sponsoring for Linit, one-minute participating announcement on daily quarter-hour Yankee network news program; quarter-hour news program thrice-weekly on WTAG, Worcester; and five times weekly on WTIC, Hartford; for Kre-Mel Mix, participations on *Saturday Open House* on WCCO, Minneapolis. C. L. Miller Co., New York, is the agency.

Packard Camera Spots

MONARCH MFG. Co., Chicago (Packard cameras), in mid-June added 12 stations and renewed two others, making a total of 21 stations currently being used. New stations include: WJR KOAM WHIP WHO WGR KGKO WIBC WDAY KFAB WIS KMMJ WDSU. Renewals: WIND WJJD. Others: WCAR WDZ KFNF WSAZ WLW WIBW WDGY. Agency is Henry J. Handelsman Jr. Inc., Chicago.

says DOUGHNUT CORPORATION SALES EXECUTIVE

"The result of the one week's effort on radio turned in a better than 147% gain.

"In all my merchandising experience I have never believed such instantaneous returns could be accomplished in this New England market knowing so well the slow absorption qualities of the immediate buying public.

"I feel your cooperation plus the general pulling power of the 920 Club accounted for this wonderful return."

(SIGNED) *Stanley Anderson*
Doughnut Corporation of America

This sensational achievement is but one of many successful campaigns merchandised through WORL'S famous 920 Club. *Make your advertising work fast* — get hard hitting cooperation from WORL.

Buy A Participation In The 920 Club Now!

Announcements and 15 minute programs are open! Write for availabilities and 15 big success stories today!

950 Kilocycles **WORL** 1000 Watts

MILES STANDISH HOTEL • BOSTON, MASSACHUSETTS

Britain Opens Drive for Technicians

But Operator Shortage Already Exists in This Country

PRESAGING an intensive drive in this country to secure "thousands" of volunteer civilian employes, technically trained in radio, whether professional or amateur, for duty in the British Isles, the British Government last Wednesday opened New York headquarters of the Civilian Technical Corps.

The urgent need for skilled technicians, particularly to operate and maintain Great Britain's new secret weapon—a radiolocator which seeks out the positions of approaching enemy aircraft in time to allow RAF fighters to go into action —was voiced by Lord Beaverbrook, Minister of State, in a worldwide broadcast last Tuesday.

Under the plan, as announced last Wednesday by Air Commodore George Pirie, air attache of the British Embassy, at a press conference in Washington, American volunteers passing physical and technical examinations will be hired for non-combatant duty with British civilian and military defense forces.

Scale of Pay

In addition to board and room and uniforms they would receive from 500 pounds per year ($38.65 per week), for chief foremen, to 6 pounds per week ($24.12), for basic workers. During a brief training period required for certain trades, workers would be paid, besides board and lodging, a probationary 5/5/0 pounds ($21.11) per week.

Classes of specially trained workmen most in demand include radio mechanics, electrical technicians, engine fitters and metal workers, instrument makers and repairers, machine tool setters and operators, motor mechanics and engine room repairmen, Mr. Pirie explained. The body of civilian technicians, ranging in age from 18 to 50, will retain their civilian status and will not be subject to military control, nor will they under any circumstances be called for combat duty, he emphasized.

The volunteer program has been approved by the U. S. Government, Mr. Pirie stated. He conceded it was a "substitute" for actual recruiting, which Britain wanted to undertake but which American officials prohibited.

Production of the new radiolocator, which he said promises to smash night bombing, has reached a point where supply is ahead of trained personnel, and England is prepared to take workers from the United States "without limit", he declared. An aide, present at the conference, estimated that in this country there are between 70,000 and 100,000 potential recruits.

Volunteers would be asked to sign contracts to stay abroad for a minimum of three years or for the duration, whichever is shorter, Mr. Pirie explained. They may be asked to work anywhere in England, Scotland or Wales, although they will not have to serve elsewhere than in the United Kingdom (England, Scotland and Wales), even if use of the devices spreads to other fields of war operations.

Lord Beaverbrook's appeal, directed partly to the United States, called for a force of thousands of trained volunteers for radiolocator operations. Whether he had in mind any wholesale exodus of U. S. radio engineers was not apparent in his remarks, but it is believed doubtful this would follow, particularly in view of the rapidly developing shortage of experienced technical radio personnel in this country.

A Shortage Here

The War Department had no comment to make, either on the technical operation of the "secret weapon" or upon the plea for manpower, except to point to known situations, particularly on the East and the West Coasts where stations actually are short-handed on engineers. In some cases, it was stated, the situation has reached a point where the number remote broadcasts has to be cut or the engineering staff required to double-up, with a consequent rise in payrolls, due to overtime.

Although the bulk of the shortage has developed from the calling to active duty, of a large number of radio engineers who held commissions in the Naval Reserve, and some in the Army, several small stations have made it known that large stations are raiding the technical staffs of smaller outlets to secure replacements, in some cases doubling wages to get the man they want.

Since the British offer extends only to technicians with two or more years experience, uncertainty also is felt as to just where in this country the British Government expects to unearth the "thousands" of technically skilled radio workers it wants. Except for the experience factor, training school graduates might find the venture attractive, not only for the promise of adventure but also for the practical intensive experience to be derived.

Inasmuch as the project bears the Government's approval, and provision is made that the volunteer personnel may be recalled by the United States if needed, it appears to boil down to a proposition for individual choice for present radio workers.

Executive offices of the Civilian Technical Corps are at 15 Broad St., New York, but applications from volunteers should be addressed: Civilian Technical Corps, c/o British Consulate General, 25 Broadway, New York.

WCOV Pylon

ENGINEERS of WCOV, Montgomery, Ala., are getting used to it now, but for the first week or so they ducked everytime it happened. Maxwell Field, air base for the Army in Montgomery, is located about seven miles from the transmitter tower and the soldiers take great delight in using the tower for a pylon on a course they have marked out to practice their flying.

COUNCIL MEETING of the Associated Broadcast Technicians Unit of the IBEW was held in mid-June at Washington with the field representatives of the union gathering to discuss labor problems. They are (l to r), back row, Ed Laker, WJSV, Washington; International Representative Frank Sosebee, New York; N. P. Nelson, KOWH, Omaha; C. M. Baker, City of Birmingham; Bob Mayberry, WABC, New York; Bill Rule, WEEI, Boston; International Representative Walter Reed, South Bend, Ind.; International Representative Clifford Lee, Birmingham. Front row, Larry H. Dammert, WLW, Cincinnati; Lawson Wimberly, IBEW Washington office; F. Lee Dechant, WRJN, Racine; Arthur Maus, WBBM, Chicago; R. S. Stanton, KNX, Hollywood; Russ Rennaker, national business manager of ABTU, Washington.

BIG GAIN CLAIMED IN RANKS OF ABTU

MEMBERSHIP in the Associated Broadcast Technicians Unit of the International Brotherhood of Electrical Workers has doubled in each of three successive years according to reports of field representatives at the mid-June council meeting held in Washington. The national council, comprised of broadcast technicians elected to the body from each of nine regional districts throughout the country, is the governing board of ABTU and formulates the national policies of the organization and of the locals making up the ABT unit.

During the week-long session addresses were made by Joseph L. Miller, NAB labor relations head, who stressed the need for cooperation between labor organizations and the broadcasters and by E. D. Bieretz, assistant to the president of the IBEW, who expressed satisfaction with progress of ABTU since its creation in 1939.

Among the policies outlined by the council was the launching of an immediate organization campaign in the field of television and the planning of a central filing system in Washington to facilitate the placement of technicians and the filling of vacancies throughout the country. A whole day was given over to a discussion of the monopoly report. During the meeting Russ Rennaker, national business manager, had a letter addressed to the entire ABTU membership placed in the minutes, in which he called for loyal cooperation of members not only to their organization but "to the broadcast industry and to the employers with whom we deal."

Officers elected at the meeting included Arthur J. Maus, Chicago, president; R. S. Stanton, Hollywood, vice-president, and Lee Dechant of Racine, Wis., recording secretary.

Radbill to Expand

RADBILL OIL Co., Philadelphia, has started a radio campaign for Renuzit, French dry cleaner, and Penn-Rad motor oil. For Renuzit, 143 participations on women's programs are scheduled on WOR, New York; WCAU, Philadelphia; and WRC, Washington. Started last month, the schedule is to be renewed after the initial 13 weeks, when the agency anticipates adding markets in the East. On June 23, the company started a schedule on KNX, Hollywood, for Penn-Rad motor oil, using daily participations on the *Sunrise Salute* and *Housewives Protective League* for 13 weeks, Additional markets may be added after the initial 13 weeks, both in the East and West, depending on the nation's oil situation. Harry Feigenbaum Adv. Agency, Philadelphia, handles the accounts.

Pillsbury Plans

PILLSBURY FLOUR MILLS Co., Minneapolis (flour and cereals), on Sept. 11 will start a new four-weekly quarter-hour series, 9-9:15 a.m. Thursday through Saturdays on 45 NBC-Blue network stations. Details of the show have not been settled. Contract for 52 weeks has been placed by McCann-Erickson, Minneapolis.

Paul H. Raymer Company

Has Been Appointed

Exclusive National Representative

of

WHK Cleveland

UNITED BROADCASTING COMPANY

Effective Immediately

Three FM Grants In New York Area

FCC Revamps Service Plan To Alleviate Congestion

WITH announcement of a solution to the FM congestion in the New York City area due to the limited number of channels available and the large number of applicants for each channel, the FCC June 17 granted three more FM stations in New York as well as one in Los Angeles.

The New York grants were to Muzak Corp. for a Class B station on 44.7 mc. to serve an area of 8,500 square miles; Interstate Broadcasting Co., licensee of WQXR, for a Class B station on 45.9 mc. to cover 8,500 square miles; and City of New York Municipal Broadcasting Co., operator of WNYC, for a Class C outlet on 43.5 mc. to cover 3,900 square miles.

The Los Angeles grant was to Standard Broadcasting Co., licensee of KFVD, to use 45.3 mc. for coverage of 7,000 square miles.

New Coverage Area

Clarification of the New York area muddle was accomplished by setting up a distinct North Jersey service area and by making certain reallocations in the present New York area. This enables the FCC to issue the FM construction permits for the Manhattan area that previously had been held in abeyance pending solution of this local problem. Affected by the reallocation are the construction permits of the Frequency Broadcasting Co. which is expected to shift from 45.9 mc. to 49.9 mc., and the Pennsylvania Broadcasting Co. (WIP), which is to change from 44.7 mc. to 44.9 mc. In view of the adjustment of the congestion, the FCC also notified Bremer Broadcasting Corp. (WAAT) and New Jersey Broadcasting Corp. (WHOM) applicants for FM in this area, that they may now apply for Class A frequencies in the North Jersey FM service area.

As there are 35 channels set aside for FM broadcasting—six Class A, 22 Class B and seven Class C—and as it is not feasible for stations in same locality to operation on adjacent channels, the number available in New York area is limited to 17—three Class A, 11 Class B and four Class C. The stations now in the Manhattan area in addition to the three grants of June 17 are:

W31NY, Edwin H. Armstrong, 43.1 mc.; W71NY, Bamberger Broadcasting Service Inc. (WOR), 47.1 mc.; W51NY, National Broadcasting Co. Inc. (WEAF-WJZ), 45.1 mc.; W55NY, William G. H. Finch, 45.5 mc.; W75NY, Metropolitan Television Inc., 47.5 mc.; W63NY, Marcus Loew Booking Agency (WHN), 46.3 mc.; W67NY, Columbia Broadcasting System Inc. (WABC), 46.7; and in Brooklyn, W59NY, Frequency Broadcasting Corp., which will change its frequency from 45.9 mc. to 49.9 mc. All are Class B stations proposing to serve 8,500 square miles except W31NY, a Class D station that will cover 15,610 square miles.

Big Gruen Drive

GRUEN WATCH Co., Cincinnati, is engaged in its greatest advertising campaign in its 67-year history, according to Benjamin Katz, president, who stated that expenditures for radio in 1941 will far exceed those in 1940. The company, at present in 35 major cities on a 52-week basis with time signals and spot announcements, is planning to add stations from time to time. The transcribed program service has given dealers dramatic and musical shows of 5 and 15 minutes in length, which are placed on almost 150 stations, it was said. McCann-Erickson, New York, is the agency.

Orangeburg, Fort Smith Applications Set Aside

TWO more newspaper applications for new stations were placed in the pending file, pursuant to FCC Order No. 79, until determination of the newspaper-radio ownership issue, when the FCC last Tuesday set aside the applications of J. I. Sims, publisher of the *Orangeburg* (S. C.) *Times & Democrat* for a local station in Orangeburg on 1450 kc. using 250 watts; and the Fort Smith Newspaper Publishing Co., publisher of the *Fort Smith* (Ark.) *Southwest American*, *Times-Standard* and *Southwest Times-Record*, seeking a regional outlet in Fort Smith, 1,000 watts on 550 kc.

At the same meeting the FCC designated for hearing the application of James F. Hopkins Inc., formerly operator of WJBK, Detroit, for a station in Ann Arbor, Mich., 1,000 watts on 1600 kc.

'Premiere' Renewed

WITH THE half-hour *Hollywood Premiere* renewed on 71 CBS stations effective June 27, Lever Bros. Co. (Lifebuoy), is reported to have allotted $2,000 weekly for talent. A "free talent" show starring well-known film players, the series created considerable controversy prior to its start March 28 when Screen Actors Guild at first refused clearance for the weekly program [BROADCASTING, March 10]. It was reported that Miss Parsons and William Esty & Co., agency servicing the account, have worked out an agreement with SAG.

Macfadden Spots

MACFADDEN PUBLICATIONS, New York, to advertise *True Story's* new format, is using a varied schedule of from 2 to 43 one-minute transcribed announcements on each of the following stations: WLS WCAU WJR KFI KSD WFBR WNAC WTMJ WGR WKBW WRC KSTP WLW KMBC WFBM WAVE KOIN KPRC WGST WFAA-WBAP WMC WOW WFBL WTAG. Arthur Kudner, New York, is agency.

NINE MIKES and 500 pounds of other equipment which he has taken on a trek of over 86,000 miles has not been too much of a burden to dim the smile of Curtis Pierce, NBC, Chicago, engineer. Pierce is on assignment with the *Doctor I. Q.* and *Doctor I. Q. Junior* programs on NBC-Red sponsored by Mars Inc., Chicago, and has done all the traveling in commuting between 16 different cities where the shows originated and his Chicago headquarters each week.

Borax Series on CBS

PACIFIC COAST BORAX Co., New York, which has used NBC for 11 consecutive years, on July 3 is placing its *Death Valley Days* program on CBS, continuing the program on NBC-Blue only until fall. On CBS, it will be heard Thursdays 8-8:30 p.m. in the interests of Boraxo and 20-Mule Team Flakes, and Fridays at 8:30 p.m. on the Blue. Agency is McCann-Erickson, New York.

Swing to England

RAYMOND GRAM SWING, MBS news analyst, on July 1 will leave for England on a clipper, remaining in London until July 22. During his stay Mr. Swing will do his regular MBS series of broadcasts, sponsored by General Cigar Co., New York, omitting only Tuesdays and two Wednesday programs. July 2 and 23, the two dates he will be enroute. He will do a special series for the BBC.

Pep Boys on WOR

FIRST SPONSOR to sign for the *Moonlight Saving Time* all-night program on WOR, New York, is the Pep Boys auto accessories chain of Philadelphia. The company already sponsors all-night shows on WOL, Washington, and WIP, Philadelphia, and has taken two transcribed spots on WOR's show.

New Anacin Series

AMERICAN HOME PRODUCTS Co., Jersey City, on June 21 started a Saturday morning musical show for Anacin on 54 NBC-Red stations for 52 weeks. Program is heard 10:30-11 a.m. Agency is Blackett - Sample - Hummert, New York.

Shaler List

SHALER Co., Waupun, Wis. (Rislone Motor Tune-up and Karbout), July 18-25 will run a special campaign of three daily spot announcements on 32 stations. Complete station list has been selected. Agency is Kirkgrasser-Drew Co., Chicago.

SEEK ANNOUNCERS IN PHILADELPHIA

SCARCITY OF ANNOUNCERS in the Philadelphia area, with unfilled vacancies existing at most of the stations, has resulted in plans for an announcers school. Under the supervision of members of its production department, WDAS will start such a school. Increased defense employment in Philadelphia and the draft have caused a shortage and station employment problems have become acute, especially for the summer vacation months.

Two stations are sharing the same announcer, and others are planning to use members of the staff with desk jobs who have had some previous announcing experience.

At WDAS, all applicants for announcing berths who show possibilities but are not quite up to the station standards, will be given a concentrated course of instruction on the best commercial approach to announcing. Recruits are being enrolled from colleges, dramatic schools and little theatre groups.

Chatterton to Acquire KWLK Half Interest

C. O. CHATTERTON, onetime assistant business manager of the *Portland Oregonian* and former director of its radio stations KGW and KEX, will become half owner of KWLK, Longview, Wash., if the FCC approves an application filed for transfer of the 140 shares at present owned by the McClung family of Merced, Cal. They propose to sell 125 of the shares to Mr. Chatterton, now managing the station, and 15 to J. M. McClelland, Jr., son of the publisher of the *Longview Daily News*.

Mr. Chatterton

The McClungs recently sold their *Merced Sun-Star*, but retained their radio properties which include KYOS, Merced; KHSL, Chico; KVCV, Redding; and 66% of the Longview station. Under the new setup, of the 250 shares in KWLK, Mr. Chatterton would own 125 shares; J. M. McClelland, 80; A. L. Raught Jr., of Tacoma, treasurer of the Weyerhauser Timber Co., 20; J. M. McClelland Jr., 15; A. C. Campbell, president of Campbell Feed & Fuel Co., 10.

WMVA Deal Pending

JONAS WEILAND, owner of WFTC, Kinston, N. C., and partner with William C. Barnes, publisher of the *Martinsville* (Va.) *Bulletin*, in the ownership of WMVA, Martinsville, would relinquish his holdings in WMVA under a deal pending before the FCC. Under the new setup Mr. Barnes would retain his 50% of the stock while the other 50% would be divided among various businessmen of Martinsville with Kennon C. Whittle, an attorney, acquiring the largest share, 14.7% of the total. WMVA went into operation last February and uses 250 watts night and 100 day on 1450 kc.

Disc Competition Censured by AFM

Measure to Protect Musicians Given to Seattle Convention

ACTION by the American Federation of Musicians toward alleviating allegedly unfair competition to musicians from phonograph records was indicated as the AFM convention concluded June 14 in Seattle. In the closing days of the national meeting, at which James C. Petrillo was reelected for a second one-year term as president, the AFM international executive board was advised of "the emergency of the recording situation" and was urged "to make every endeavor to bring about the desired results at the earliest possible moment."

The mandate to the AFM executive board came after introduction of a series of eight proposed resolutions, advanced by delegates, directed against problems arising from the use of phonograph recordings by radio stations and in juke boxes [BROADCASTING, June 16].

Other Proposals

The proposed resolutions, which were referred to the executive board, decried the recording situation and its alleged effect on musician employment and individually asked for various types of control, including legislation against commercial use of records and a plan for plowing back part of the record receipts to support of unemployed musicians. One of the resolutions called upon the executive board to discuss with the Canadian Broadcasting Corp. plans to reduce the playing of recorded and transcribed music on CBC hookups, looking toward increased use of live music by CBC.

Among other resolutions affecting radio adopted at the convention was one prohibiting personal appearances on radio stations by AFM members or orchestra leaders, without permission of the local in whose jurisdiction such appearances occur. Another resolution recommended easing of a recent ruling by President Petrillo banning announcements of the itinerary of an orchestra playing on a radio program.

Georgia Assn. Meets

GEORGIA Association of Broadcasters on June 14 held the second of its 1941 "Sales Institutes" in Macon, with representatives of 17 Georgia stations present, including salesmen, salesmanagers, program directors and managers. The Institute was under the direction of John M. Outler Jr., commercial manager of WSB, Atlanta. Featured as guest speakers were E. P. H. James, NBC, and Donald Dwight Davis, WHB, Kansas City, who spoke on practical elements in radio time sales, the adaptation and evolution of ideas for radio programs and the management technique necessary for effective work between commercial and program departments.

Hough on News

(*Continued from Page 12*)

cate more that they are local stations and supported principally by their newspapers, we find that only 16 are located in towns with as much as 75,000 population. I just cannot see how this little band can ever become a national hazard. They may have the only station in town, but theirs is not the only station heard in that town—they cannot wall up the place. These little so called 'threats' remind me of friendly, chummy, lightning bugs. In their own yard, they sparkle and shine—no bite, no burn.

Too Many 'Deducts'

"Broadcasting is not nearly the bonanza it is cracked up to be. Too many brass hats have had a yen for parading brass dollars, thinking it would attract attention. It sure has—but they are learning. Radio is infested with too many 'deducts' to ever be able to justify the golden spangles it is supposed to wear.

"Some 16 (of the 126 stations) operate on frequencies below 1,000. Mind you, I do not say that these other frequencies are bad—I merely say that the lower ones are better. So, we find these 16 in the half best part of the spectrum, and the other 106 are in the other bracket, so when the choice assignments were being distributed, the 126 boys were not there. They just seem to be unlucky.

"Forgetting the 126, the next group of newspaper stations is about 79 stations which are located in towns where there is one more radio station. Thus, we have accounted for approximately 205 of the approximate 290 newspaper stations. The others are in cities where there are several, so there could not be even the remotest possibility in propagandizing.

"The newspapers in radio have a great epoch to unfold. They have done more for radio than radio has done for them. Many of them have worked all day trying to sell the news and stayed up all night trying to give it away. I know, because I speak from experience.

"If we lose, the effect may be most far reaching. We feel that if the Government can tell us, as newspaper people, that we cannot engage in other lines of legitimate business the same as other citizens, then an entirely new era of human regulation has arrived. A dry goods store might later be told that it could not own trucks, because it should confine itself to buying and selling and not to transportation. This may not be class legislation, but it sure shakes the tree."

COMMERCIAL RADIO Equipment Co., Kansas City engineering consultant firm, has established a second office at Crossroads of the World, Hollywood.

WJLS, Beckley, W. Va., has appointed International Radio Sales its national representative, effective immediately.

TO THE

DRUG

AND

Toilet Goods

INDUSTRY

Many thanks for giving us 31% more of your advertising than you give to the next most prominent Chicago station.

★

When you wish to reach people of discrimination—

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WMAQ

Chicago

IT PAYS

50,000 WATTS 670 Kc.

CHICAGO, ILLINOIS

☆

Represented Nationally by NBC Spot Offices in

NEW YORK, CHICAGO, BOSTON, WASHINGTON, CLEVELAND, DENVER, SAN FRANCISCO, and HOLLYWOOD

New Compromises Now Foreseen in Net Regulations

FCC Watches Senate Hearing And Reaction on Committee

AS HEARINGS progressed before the Senate Interstate Commerce Committee on the White Resolution to set aside the FCC's far-reaching regulations on network broadcasting, the Commission majority almost daily has conferred about developments. From informed quarters it was learned that the Commission is far from happy over events before the committee, and all signs appeared to point to a willingness on the part of the majority to compromise most, if not all, of the eight rules.

There came from the FCC a series of announcements directly or indirectly bearing upon the monopoly regulations, totally aside from informal communications relayed through members of the Interstate Commerce Committee. Throughout the hearings, representatives of the FCC law department have been present as observers.

On June 14, the FCC issued a press release announcing that it had amended its order of May 2 stipulating that NBC must dispose of one of its networks within 90 days or by Aug. 2, in line with a verbal commitment made to the committee by Chairman Fly during his testimony.

Further Extensions

The FCC said the amendment was adopted to clarify the Commission's intent that NBC shall have ample time in which to dispose of one of its two networks so as to leave no question but that the stipulated 90-day deferment period pertains to disposal of one NBC network, as well as to disposition of individual stations by networks. The Commission said further that the effective date of compliance in either case "may be extended from time to time in order to permit the orderly disposition of properties".

"In thus clarifying its purpose that the networks and stations concerned shall have ample time for adjusting themselves to the new requirements," said the press release, "the Commission points out that it is now permissible for stations to enter into new affiliation contracts with NBC, pending disposal by the latter of one of its networks, if such contracts satisfy all other requirements of the May 2 regulations".

The text of the concluding paragraph of the order, as revised, now reads:

IT IS FURTHER ORDERED, That these regulations shall become effective immediately: *Provided*, That, with respect to existing contracts, arrangements, or understandings, or network organization station licenses, or the maintenance of more than one network by a single network organization, the effective date shall be deferred for 90 days from the date (May 2, 1941) of this Order: *Provided further*, That the effective date of Regulation 3.106 with respect to any station and of Regulation 3.107 may be extended from time to time in order to permit the orderly disposition of properties.

Letter to Wheeler

On June 16, Chairman Wheeler, of the Senate Interstate Commerce Committe, read into the record the text of a letter from Chairman Fly dealing with certain of the testimony adduced at the hearings, with which he disagreed. Mr. Fly made particular reference to his interpretation of the regulations with relation to non-exclusive network affiliations. He attached a copy of a telegram sent to Gordon P. Brown, owner of WSAY, Rochester, N. Y., in which he stated that the regulations do not prohibit a contract establishing a network and station affiliation whereby a network agrees to offer all its programs to one particular station in a community.

However, he wired, "the station must make a reasonably prompt determination whether it will carry any program and there can be no restriction upon the right of other stations in the community to make arrangements for the broadcast of any refused or rejected programs."

Chairman Fly continued that the regulations did not prohibit a contract whereby a station agrees to take all the programs of a network if the time is available when such programs are offered, subject to the station's right to refuse or reject programs, pursuant to the regulations.

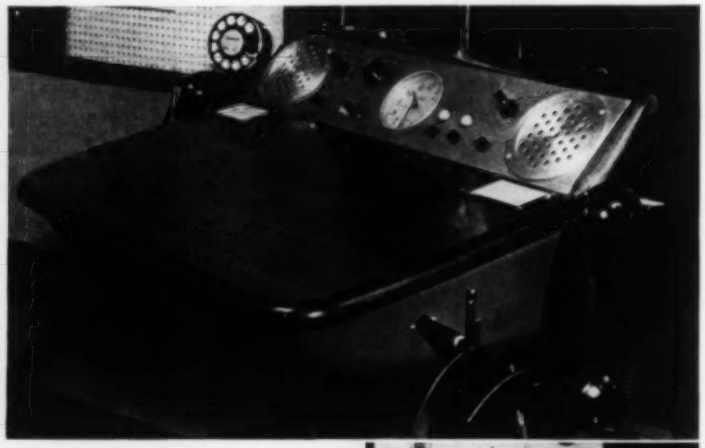
The text of Chairman Fly's letter to Senator Wheeler, dated June 14 and read into the record, follows:

I shall, of course, remain at the service of the Committee during the course of the current investigation and shall be prepared to appear later to assist the Committee to the best of my ability. Meanwhile, I think it may be helpful to comment now on two significant points mentioned by recent witnesses:

1. Witnesses have urged that the large stations may take over the good programs from the small stations. On the contrary we have consistently pointed out that a station may make a contract with a network which will give that station first call upon all the network's programs. This being true, no station can deprive another station of its network programs unless the latter station, itself, has voluntarily rejected those programs. This was made clear in my telegram to Gordon Brown of Rochester, New York on May 24. For the information of the committee, I attach herewith a copy of that telegram. I have checked the point with the Commission and we are agreed upon the foregoing construction of the rule.

2. It has been suggested that there has been a reversal of the practice by which the Commission has maintained a station on the air throughout the administrative proceedings and throughout the litigation involving the question as to whether the station should continue on the air. This is a long-standing policy of the Commission and this policy which I, as chairman of the Commission, assured the Committee would be applied in connection with the anti-monopoly rules. The case urged upon your committee was that involving the *granting* of nighttime operation to Station WHDH at Boston on the same wave length as Station KOA at Denver. KOA unsuccessfully sought to stay the grant to WHDH. There was no threat to the continued existence of KOA as a 50-kw. station and there is no real impairment of its day or night service. Permitting the Boston station to operate at night during the period of litigation is a far cry from the notion that the licence of any station would be *terminated* without a completion of any judicial proceeding involving that question.

SCHOOL DESK, 1941 STYLE



MODERN SCHOOL DESK, product of American Seating Co., Grand Rapids, looked like this after NBC engineers got through with it. Searching for some piece of furniture to accommodate an array of instruments for use on the NBC *News Room of the Air* and other foreign pickups, T. H. Phelan, of the network's engineering department, decided this desk was just what the doctor ordered.

Instead of accomodating books and pencils, the desk has a microphone, two loudspeakers, electrical clock, half-dozen push-button controls, two channel selectors, toggle switches, two telephones and a headset. From this desk engineers and commentators press buttons and flip switches, talking back and forth with every corner of the world.

Jack Hartley, ex-NBC assistant director of special events (left), and John W. Vandercook, *News of the World* commentator on NBC-Red, demonstrate how they use the desk.

FORBES, McMURTRIE JOIN CBS ARTISTS

WITH Music Corp. of America having taken over Columbia Management of California Inc., William Forbes, in charge of the CBS artists service in Hollywood, on June 16 rejoined the network as national sales service contact. Bill McMurtrie, Columbia Management assistant auditor, also joins the CBS Hollywood staff. Hal Hudson, national sales service contact since Forbes vacated that post to join the talent agency several months ago, has been made CBS Pacific Coast commercial program manager.

Amory Eckley, Rudy Polk and Sam Armstrong, Columbia Management account executives, have been retained by MCA in similar capacity. The CMC clerical and secretarial staff is being absorbed by both CBS and MCA, with few members being eliminated from the payroll. MCA will also continue to utilize CMC Hollywood offices at CBS headquarters for another 60 to 90 days, meanwhile reorganizing its Beverly Hills, Cal., staff to accomodate the new set-up and members.

In protest against transfer of Columbia Management of California Inc. to MCA, Radio Writers Guild, Hollywood, has submitted a resolution to Donald W. Thornburgh, CBS Pacific Coast vice-president. It requests that RWG members be given the privilege of securing a release from CMC before the transfer is consummated.

Drewrys Spots

DREWRYS Ltd. U. S. A., South Bend, Ind. (Drewry's Ale), is currently running a series of twice-weekly transcribed quarter-hour programs featuring Pete Bontsema and Earl Parchman, consisting of songs, chatter, imitations and recitations, on WKBZ WOOD WCAR WSBT WKZO WFDF WELL WHLS WBCM WIBM WJIM. Agency is R. A. Moritz Co., Davenport, Ia.

Burns & Allen Signed

LEVER BROS. Co., Cambridge, will sponsor in the fall the first network program in the interest of Swan soap. Burns & Allen have been signed for the half-hour show, but neither time nor network has been selected. A competitor of Ivory, the product was introduced in February with heavy spot announcement schedules, which, in most cases, are for 39 weeks. Young & Rubicam, New York, is the agency.

KONB Grant Set For July Hearing

KORN Ownership Transfer Plan Also Scheduled

POSSIBILITY that MSB Broadcasting Co., holder of a construction permit for the new KONB, Omaha, might have the construction permit rescinded, developed as the FCC last week set for hearing July 21 the case involving the right of MSB Broadcasting Co. to retain the grant it has held since June 25, 1940.

Simultaneously the Commission set for joint hearing July 25 the application of KORN, Fremont, Neb., for renewal of license and the application of Clark Standiford, majority stockholder in the station, to transfer control to parties concerned with MSB Broadcasting Co.

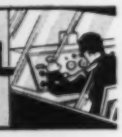
In the KONB case complications arose when the holders of 90% of the MSB Broadcasting Co. stock —C. J. Malmsten, cattle rancher and Texas citrus fruit grower; John K. Morrison, insurance man from Lincoln; and Arthur Baldwin, another insurance man—had sought FCC permission to sell their holdings to Blaine V., Ross C., and William W. Glasmann, motion picture theater operators of Ogden, Utah. The last three also are identified with the ownership of KLO, Ogden.

As the FCC frowns upon attempts to sell stations before they even go on the air, the would-be assignors applied to the FCC to withdraw the application. The request was granted June 13, but the accompanying application for dismissal without prejudice was denied and the construction permit of KONB will be held in abeyance until determination of the July 21 hearing.

The other 10% of the station's stock is held by Mr. Standiford and Clarence T. Spier, of Omaha. KONB was to operate with 250 watts on 1500 kc.

In the KORN case, Mr. Standiford, owner of 52% of the station, had applied to transfer control of the station to Mr. Malmsten; A. C. Sidner, a local attorney, who already held 15%; S. S. Sidner; E. J. Lee, another attorney and H. A. Gunderson. While this application was still pending before the FCC, the Malmsten-Sidner-Lee-Gunderson group in turn sought to sell their interests to a partnership of John F. Palmquist, manager of KORN, and Paul Boyer, merchandising director of the station. As this was contrary to the policy of the Commission, application to withdraw the latter transfer request was made by the assignees of the first application and granted in a June 13 action of the FCC. KORN operates on 1400 kc. with 250 watts.

in the CONTROL ROOM



ROBERT F. WOLFSKILL, formerly of the Hollywood office of Commercial Radio Equipment Co., has returned to Kansas City headquarters as assistant manager. Harold L. Crispell took over management of the Hollywood office, set up a year ago by Mr. Wolfskill.

BRAD SIMPSON of the engineering department of WNEW, New York, on June 15 became the father of baby girl.

CLYDE HOYT, formerly an engineer of KSCJ, Sioux City, Ia., is to join the engineering division of RCA Mfg. Co., Camden.

WALTER MORRISEY, KOA, Denver, assistant control supervisor, is on crutches, recovering from a leg injury.

JOHN WILSON, of Kansas City, and Kenneth Relf, of Vermillion, S. D., have joined WNAX, Yankton, S. D.

MAURICE W. SCHMITZ, KVEC, San Luis Obispo, Cal., engineer, has joined KDB, Santa Barbara, as engineer-announcer.

CARL QUIRK, transmitter engineer of WTRY, Troy, N. Y., has been inducted into the Army, and will be replaced by Waldo Whitman, who returns to WTRY from WHYN, Holyoke, Mass.

FRANK KEARNEY, formerly of WBIL and WOV, has been appointed transmitter engineer of WAAT, Jersey City.

BRYANT FILES, of the Southern Bell Telephone Co., Charleston, has joined the engineering staff of WCSC, that city, doing part-time work.

DAVID W. JEFFERIES, formerly of Westinghouse Electric Co., Baltimore, has been appointed chief engineer of WCED, DuBois, Pa., replacing Clifford Gorsuch who has joined the new WISR, Butler, Pa.

EVERETT L. DILLARD, manager of Commercial Radio Equipment Co., Kansas City, is spending the summer in Los Angeles.

TOM ROARK, engineer at KVOR, Colorado Springs, on May 31 married Peggy Feming at Cascade, Cal.

JERRY MERRY, engineer of KFRU, Columbia, Mo., on June 15 married Peggy DeWolf, in Sedalia.

PAUL FONDA, engineer of KMBC, Kansas City, on June 20 reported to Fort Leavenworth, Kan. for active duty with the Army. He will be assigned to the air base at Sacramento, Cal.

MORRIS BERTSCH, technician, formerly of KHUB, Watsonville, Cal., has joined the technical staff of KYA, San Francisco, for vacation relief.

HAROLD PLATT, technician, formerly of KOH, Reno, Nev., has joined the engineering staff of KPO-KGO, San Francisco.

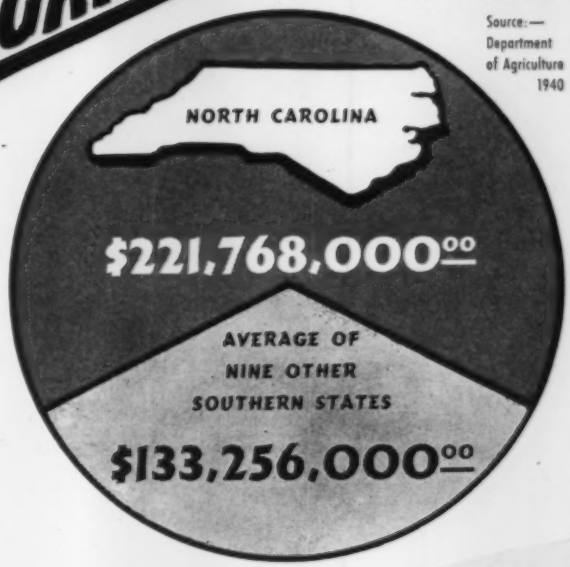
WINTON TEEL, formerly with the RCA television exhibit at the Golden Gate Exposition and more recently with KSRO, Santa Rosa, Cal., has joined the technical staff of KGEI, General Electric shortwave station in San Francisco.

DOUGLAS D. KAHLE has been promoted from relief to the regular engineering staff of KOA, Denver, to succeed Glenn Glasscock who was called into the Navy. Howard S. Johnson has been named to assume Kahle's former duties.

NORTH CAROLINA IS THE SOUTH'S NO. 1 AGRICULTURAL STATE!

CASH INCOME and GOV'T PAYMENTS

Source:— Department of Agriculture 1940



WPTF in Raleigh is NORTH CAROLINA'S NO. 1 SALESMAN!

680 KC NBC Red 50,000 Watts

FREE & PETERS, Inc., National Representatives

XUM

Agencies

PAUL BRADLEY, assistant media director of Lord & Thomas, Los Angeles, has been appointed vice-president of the Los Angeles Junior Adv. Club. Keith Monroe, of the copywriting department of Barton A. Stebbins Adv., that city, is publicity director.

W. C. JEFFRIES Co., Los Angeles has moved its offices to 165 N. La Brea, that city. Telephone number is Walnut 8824.

GAIL SIFFORD, formerly of the Forest Lawn Memorial Park, Glendale, promotion department, has joined W. B. Ross & Assoc., Los Angeles, as copywriter.

JOHN W. POWER, formerly head of the traffic department of Sherman K. Ellis & Co., New York, has been named an assistant account executive of the agency. Succeeding him is John A. Thackston.

JEROME BROOKS, of the publicity staff of Benton & Bowles, New York, has been transferred to the radio department as copywriter.

BILL KITAY, formerly publicity director of Basch Radio Productions, New York, has been appointed editor of *Swing*, a new publication.

VANDERBIE & RUBENS, Chicago, has moved to 410 N. Michigan Ave.

RALPH L. WOLFE & ASSOC., Detroit, has moved to 76 Adams Ave. West.

RAY MORGAN, head of Raymond R. Morgan Co., has returned to his Hollywood headquarters after New York and Chicago conferences with clients.

HOBART GAUTHIER, formerly of Lennen & Mitchell and Charles W. Hoyt Co., has joind the copy staff of Brown & Thomas Adv. Corp., New York.

JEROME BROOKS, of the publicity department, has been made a commercial writer at Benton & Bowles, New York.

FRED JONES, formerly of Glasser-Gailey & Co., Los Angeles, has joined Hixson-O'Donnell Adv., that city, as head of the copy department.

BAKER OSTRIN, radio writer formerly of Ruthrauff & Ryan, New York, and C. H. Dykeman, copywriter formerly of Maxon Inc., New York, have joined Sherman K. Ellis & Co., Chicago.

FREEMEN KEYES, head of Russel M. Seeds Co., Chicago, was in Hollywood during mid-June placing new business and auditioning new shows.

Heads Kal Radio

I. T. COHEN, chief of radio continuity of Kal Advertising Inc., Washington agency, has been promoted to radio production manager, succeeding David B. Stein, who resigned May 19 to become Chicago representative of WHN, New York [BROADCASTING, May 19]. With the capital agency for the last seven years, Mr. Cohen was a student at the U of Florida in 1930-32, majoring in journalism, and in 1933 attended George Washington U to study short story writing. He will handle all radio accounts of the agency.

Mr. Cohen

Jewish Market Agency

JOSEPH JACOBS JEWISH MARKET Org., New York, has been appointed special counsel for the Jewish markets of the United States on all accounts handled by Mitchell-Faust Adv. Co., Chicago, according to Lyman L. Weld, treasurer of the agency. This organization will advise on complete campaigns including selection of media, preparation of copy, schedules, publicity, and all radio phases. In addition it will merchandise these campaigns to retail and wholesale Jewish trade outlets throughout the country. Currently, plans for a radio series for the Chr. Hansen's Labs., Little Falls, N. Y., (Junket Products) are under way.

MARC SCHULHOFF, with John Falkner Arndt Agency, Philadelphia, for seven years has joined J. M. Korn Agency, Philadelphia, in an executive capacity.

LEE WILLIAMS, with BBDO, Chicago, as copywriter from 1929 to 1932, has returned to that office to work on the Griesedieck Bros. Brewery Co., St. Louis account. He replaces Harold Mesberg, resigned.

MAURY HOLLAND, J. Walter Thompson Co., Hollywood, producer of the NBC Chase & Sanborn Show, sponsored by Standard Brands Inc., is the father of a girl born June 15.

DAVID R. BRADLEY, formerly in the advertising department of the *Bridgeport Times-Star* on June 16 joined Headley-Reed Co., New York, replacing William B. Faber, who has joined the Army.

BROADCASTING
The Weekly Newsmagazine of Radio
Broadcast Advertising

The preferred advertising choice of more radio stations than all other trade publications combined . . . proved the preferred reading medium of time buyers coast-to-coast in every survey. ★

★ **Ask about these five surveys:** *Transcription Firm Survey, West Coast Station Survey, Station Representative Survey, Midwest Station Survey, Eastern Stations Survey.*

HE LOOKS LIKE THIS (center), thought Xavier Cugat, orchestra leader, as he caricatured Dick Marvin, radio director of William Esty & Co., New York, agency for the Camel cigarette show which was recently renewed for 13 weeks.

William D. McJunkin

WILLIAM D. McJUNKIN, 71, president of the Chicago advertising agency bearing his name, died June 15 in Evanston Hospital, Evanston, Ill., following a lingering illness for which he underwent an operation three days before his his death. He was born in Franklin, Pa., and started in advertising work in Chicago more than 40 years ago. Before organizing his own company, he was advertising manager for several department stores. From 1930 to 1940 he was a member of the Chicago Board of Education. He is survived by his widow, Nell F. McJunkin; a daughter, Mrs. F. W. Harvey Jr., and a son, William D. McJunkin Jr.

11-Station Radio Drive For Resorts in Colorado

TO SELL Colorado as a vacation land, the State of Colorado is sponsoring a radio, billboard and poster campaign, handled by Max Goldberg Adv. Agency, Denver. The radio campaign, directed at the "hot belt" states of the South and Midwest, is built around a series of 11 one-minute transcriptions placed on 11 stations in Des Moines, Omaha, Kansas City, St. Louis, Wichita, Tulsa, Oklahoma City, Houston, Fort Worth and Memphis.

Austin Williams and Tor Torland, announcers of KLZ and KOA, Denver, collaborated with the agency on the recorded spots, with Prof. John T. Lynch, of Denver U, and the staff of the Rocky Mountain Radio Council participating in production of dramatic playlets included in the series.

B & W Promotions

TIMOTHY V. HARTNETT, formerly executive vice-president and in charge of advertising of Brown & Williamson Tobacco Corp., Louisville, consistent users of national spot and network radio, has been named president, replacing George Cooper, now chairman of the board.

Hutchinson to Prudence

CHARLES F. HUTCHINSON, until recently eastern sales manager for Sun-Maid Raisins, has been appointed national sales manager of Prudence Foods Inc., according to H. D. Carter, president of the company. Announcement was also made that an increased advertising campaign to include radio newspapers and trade publications will be started immediately.

Expenditures for Year By National Advertisers 420 Million, ANPA Says

DURING 1940, national advertisers spent a total of $420,479,442 for network radio, newspapers, magazines and farm journals, according to the annual study on national advertising expenditures issued last week by the Bureau of Advertising, American Newspaper Publishers Assn. Of this total, network radio got $95,768,864 or 23%; newspapers, $160,838,784 or 38%; magazines, $150,712,332 or 36%, and farm papers, $13,159,462 or 3%.

Analyzing these expenditures by the 23 major Media Records classifications, which in turn are broken down into 51 subclassifications, the study reports that in the four media combined the grocery classification had the largest expenditure last year, amounting to $97,751,448 or 23.25% of all national advertising expenditures.

The nine next largest classes, in order, were: Automotive, $68,777,869; toilet requisites, $47,596,630; tobacco, $36,693,488; alcoholic beverages, $27,920,643; medical, $24,996,530; housing equipment, $20,707,998; industrial, $13,651,616; transportation, $12,904,874; wearing apparel, $11,759,523.

Advertising Advances To Feature PACA Meet

ADVANCEMENT of business and advertising will be the theme of the Pacific Advertising Clubs Assn. 38th annual convention, to be held June 29-July 3 at the Santa Barbara Biltmore Hotel, Santa Barbara, Cal. Preparations are under way for about 500 representatives of radio and other media, according to Don Belding, PACA president and Los Angeles vice-president of Lord & Thomas, convention chairman.

Hill Blackett, president of Blackett-Sample-Hummert, Chicago, is to be principal speaker at the radio departmental July 1, presided over by Donald W. Thornburgh, CBS Pacific Coast vice-president. The June 29 opening features a seven-panel discussion on the expanded program for the advancement of business and advertising, conducted by Don Gilman. Arthur Kudner, president of Arthur Kudner Inc., New York, will speak at the advertising agencies' departmental with William Horsley, president of Pacific National Adv. Agency, Seattle, as chairman.

CBS 'Young Ideas'

A "STRAW HAT" stock company composed of CBS Hollywood junior staff members will present eight weekly transcontinental broadcasts titled *Young Ideas*, starting June 29. Half-hour programs, will be directed by Charles Vanda, network West Coast program director. The workshop group will handle writing, production and dramatization. This apprenticeship serves as a training ground.

M. LAWRENCE SWARS, former representative in New York for WIBX, Utica, is now representing WMBS, Uniontown, Pa., CBS affiliate. Russell Loftus, former timebuyer at Benton & Bowles, New York, and merchandising director of WAGE, Syracuse, will represent WIBX.

AGENCY Appointments

COLUMBIA PICTURES Corp., New York, to Weiss & Geller, New York, effective immediately. Advertising plans not yet completed.

STANDARD BRANDS, New York (Royal baking powder), to Sherman K. Ellis Inc., New York. Agency also handles Royal Desserts for this company.

GOLAN WINES Inc., Los Angeles, to Brown & Thomas Adv. Corp., N. Y. Said to use radio.

PHOTO MASTER Co., Chicago (Rolls camera), to First United Broadcasters, Chicago. To use radio and trade papers.

SILVER CUP BEVERAGE Co., Chicago (root beer), to Craig E. Dennison Agency, Chicago. Radio to be used.

TIDY HOUSE PRODUCTS Co., Des Moines (cleansers, polishes and waxes), to Cary-Ainsworth, Des Moines. To use newspapers and radio.

GENERAL MILLS, Minneapolis (Cheeri Oats, a new product), to Blackett-Sample-Hummert, Chicago.

RED STAR YEAST & PRODUCTS Co., Milwaukee, to Arthur Meyerhoff & Co., Chicago.

TWO NET PROGRAMS STARTED BY ANACIN

ANACIN Co., Jersey City (headache tablets), subsidiary of American Home Products Corp., New York, with the addition of two network programs, is now sponsoring five shows on four networks for Anacin. On June 21, company started on NBC-Red, *America the Free*, half-hour musical program with Victor Arden's orchestra. Program will be produced by Frank Hummert and will be heard Saturdays at 10:30-11 p.m.

On June 23, a Monday-through-Friday daytime serial was started on MBS at 1:30-1:45 p.m. Titled *Front Page Farrell*, the story revolves around the romantic adventures of a young reporter.

Other network programs sponsored by Anacin are *Just Plain Bill* and *Easy Aces* on NBC-Blue, and *Our Gal Sunday* on CBS. Blackett-Sample-Hummert, New York, is agency.

WLW Effects Changes In Announcement Rates

READJUSTMENT of the announcement rates of WLW, Cincinnati, was announced June 16 by Robert E. Dunville, general sales manager of the broadcasting division of the Crosley Corp.

The new rates, effective July 15, are based on surveys made recently by the station and will include several increases and reductions. Present WLW advertisers whose rates would be subject to the increase will be given an opportunity to protect their current rate for 52 weeks beyond July 15.

Half & Half Plans

AMERICAN TOBACCO Co., New York, is considering network radio for Half & Half pipe tobacco. The magazine campaign featuring the Half & Half historic pipe collection has been discontinued, according to the agency, Lord & Thomas, New York.

Vitamins

(*Continued from page 11*)

decision holding that vitamins are basically foods and thus could be sold in grocery stores. "Vitamins Plus" bucked a New Jersey ruling with the same success.

Lever Silent

Definite plans for Lever Bros. are, traditional with that company, closely guarded secrets. It is known, however, that scientific work has been conducted on a vitamin concentrate product. When questioned, officials of Lever said that "our work at this time is academic. We are constantly experimenting." In advertising circles, however, it is generally understood the product will hit the market in the fall and it will be supported by the largest Lever campaign since that company spent $3,000,000 in 1936 to promote "Spry", its vegetable-fat shortening. However, the introductory campaign is expected to be more in the nature of a carefully planned educational program than a dramatic selling splurge.

It also has been reported that, prior to the time Vick bought "Vitamins Plus", Lever Bros. made overtures for the purchase of the product. "Vitamins Plus" has been advertised in magazines and newspapers to this date, but it also has been reported that the Blaker Adv. Agency, which handles the account, has recommended a radio campaign for the coming fall.

There are some who believe that properly planned educational campaigns through radio might even be able to overcome the AMA stumbling block so far as the "ethical" pharmaceutical houses are concerned. One company executive indicated that this has never been tried because a satisfactory radio advertising formula has never been suggested.

Apparently the initiative in this major field is up to radio.

L. A. 'Times' a Sponsor

LOS ANGELES TIMES, Los Angeles, one of the first West Coast newspapers to yank its radio columns and news about four years ago, on June 30 starts sponsoring a weekly half-hour news events quiz titled *Who, What, Where & Why?* on KNX, Hollywood. Contract is for 13 weeks, with placement direct. Art Linkletter will m.c. the audience participation series

Del Monte Renewal

CALIFORNIA PACKING Co., San Francisco, which for the past year-and-a-half has been using *Make Believe Ballroom* on WNEW, New York, six times weekly 11-11:15 a.m., has renewed the period for 39 weeks in the interests of Del Monte canned goods. Agency is McCann-Erickson, San Francisco.

When you SEE this . . .

ONLY THEN YOU'LL SEE A LOWER COST THAN WTAM'S .000073 CENTS *per* FAMILY

That's the minimum cost per radio family in the Cleveland area. Check it. Divide the 15 minute daytime rate of each Cleveland Station by the number of radio families each claims in its Primary Area. WTAM's .000073 cents per family is the *minimum* cost. Check the Surveys, too, for actual listeners. WTAM leads again . . . all day . . . all night . . . all week. First in coverage but lowest in cost. That's why smart buyers of local, spot and network time make WTAM their *first* choice.

WTAM
CLEVELAND·OHIO
50,000 WATTS
NBC RED NETWORK
OWNED AND OPERATED BY NBC

REPRESENTED NATIONALLY BY SPOT SALES OFFICES

THE Business OF BROADCASTING

STATION ACCOUNTS

sp—studio programs
t—transcriptions
sa—spot announcements
ta—transcription announcements

KGO, San Francisco

Fisher Flouring Mills Co., Seattle (wheat germ), 2 *sa* weekly, thru Pacific National Adv. Agency, Seattle.
California Grown Sugar Group, San Francisco (beet sugar), 2 *sa* weekly, thru Botsford, Constantine & Gardner, San Francisco.
Langendorf United Bakeries, San Francisco, 35 *sa* weekly, thru Leon Livingston Agency, San Francisco.
Standard Beverages, Oakland, Cal. (Par-T-Pak), 6 *sa*, thru Emil Reinhardt Adv., Oakland.
Denalan Company, San Francisco (dental plate cleanser), *sa* weekly, thru Rufus Rhoades & Co., San Francisco.
Marvelous Marin Inc., San Rafael, Cal. (county wide Chamber of Commerce), 3 *sa* weekly, thru Theodore H. Segall Adv. Agency, San Francisco.

KPO, San Francisco

Macfadden Publications, New York (*Liberty*), *sp* weekly, thru Erwin, Wasey & Co., N. Y.
Sprouse-Reitz Co., Oakland, Cal. (chain stores), 3 *sa* weekly, thru Western Radio Productions, Oakland.
Standard Beverages, Oakland (Par-T-Pak), 3 *sa* weekly, thru Emil Reinhardt, Oakland.
Great Northern Railway, St. Paul (transportation), 4 *sa* weekly, thru Bronson West, St. Paul.
Chris Hansen's Labs., Little Falls, N. Y. (Junket freezing mix), 3 *sa* weekly, thru Mitchell-Faust Adv. Agency, Chicago.
Armand Co., Des Moines (Brisk shaving cream), 2 *sa* weekly thru Russel M. Seeds Co., Chicago.

KOA, Denver

Bluhill Food Products Co., Denver (grocery products), *sa* weekly, thru R. Y. Reaves Adv. Agency, Denver.
Hartz Mountain Products, New York (bird seed), weekly *t*, thru George H. Hartman Co., Chicago.
Hecker Products Corp., New York (Bixby jet oil polish), 5 *sa* weekly, thru Benton & Bowles, N. Y.
Radio Corp. of America, Camden (radio sets, tubes), *t* weekly, thru Lord & Thomas, N. Y.
Continental Oil Co., Ponca City, Okla. (gas, oil), 7 *ta* weekly, thru Tracy-Locke-Dawson, N. Y.

KQW, San Jose, Cal.

Peterson Tractor & Equipment Co., Hayward, Cal. (Caterpillar tractors), 5 *sp* weekly, direct.
Western Acceptance Corp., San Francisco (auto financing), 3 *sp* weekly, thru Baum Adv. Agency, San Francisco.
Thompson & Holmes, San Francisco (Philco radio distributor), weekly *t*, thru John B. Parsons, San Francisco.
Alameda County Fair, Alameda, Cal., 26 *sa* weekly, thru Ryder & Ingram, Oakland, Cal.

CKCL, Toronto

Tilley's Ltd., Toronto (shoe cleanser), *sa* series, thru Frontenac Broadcasting, Toronto.
Canadian Tire Corp., Toronto (automotive supplies), *sp* weekly, thru Frontenac Broadcasting, Toronto.

KMPC, Beverly Hills, Cal.

Dr. A. Reed Arch Shoe Co., Los Angeles (shoes), 5 *sp* weekly, thru Charles Stahl Adv. Agency, Los Angeles.
Dr. Beauchamp, Los Angeles (dentist), 6 *sp* weekly, thru Charles Stahl Adv. Agency, Los Angeles.

WWRL, Woodside, N. Y.

North Eastern Radio Co., New York, 3 *sa* weekly, 13 weeks, thru Halpern Adv. Agency, N. Y.

WCAU, Philadelphia

American Cigar & Cigarette Co., New York (Pall Mall), 6 *ta* weekly, thru Ruthrauff & Ryan, N. Y.
Phillips Packing Co., Cambridge, Md. (food), 26 *sa*, thru Aitkin-Kynett, N. Y.
Megowen Educator Food Co., Lowell, Mass. (Crax), 39 *ta*, thru J. W. Queen, Boston.
Johnson & Johnson, New Brunswick, N. J. (Tek tooth brushes), 135 *sa*, thru Ferry-Hanly Co., N. Y.
American Chicle Co., Long Island City (chewing gum), 6 *sp* weekly, 13 weeks, thru Browning & Hersey, N. Y.
McFadden Publications, New York (*Liberty* magazine), 1 *sp* weekly, 13 weeks, thru Erwin, Wasey & Co., N. Y.

KSFO, San Francisco

Marvelous Marin Inc., Cal. (resort), *ta* series, thru Theodore H. Segall Adv. Agency, San Francisco.
Sunnyvale Packing Co., San Francisco (Rancho soup), 5 *ta* weekly, thru Lord & Thomas, San Francisco.
R. L. Watkins Co., New York (Dr. Lyons toothpowder), 5 *sp* weekly, thru Blackett-Sample-Hummert, Chicago.
California Spray-Chemical Corp., Richmond, Cal., 7 *sa* weekly, thru Long Adv. Service, San Jose.

KNX, Hollywood

Coast Federal Savings & Loan Assn., Los Angeles (investments), 24 *sa*, 6 *sp* weekly, thru Robert F. Dennis Adv. Agency, Los Angeles.
Seven-Up Bottling Co., Los Angeles (beverages), 35 *sa* weekly, thru Glasser-Gailey & Co., Los Angeles.

WQXR, New York

Continental Baking Corp., New York (Staff bread), 6 2*sa* weekly, thru Ted Bates Inc., N. Y.
S. A. Schonbrunn & Co., New York (Savarin coffee), 60 *sa* weekly, thru M. H. Hackett Inc., N. Y.

KECA, Los Angeles

The Murine Co., Chicago (eyewash), 6 *ta* weekly, thru BBDO, Chicago.
Fresh Fruit & Vegetable Advertisers of So. Calif., Los Angeles (cooperative), 3 *sp* weekly, thru Scholts Adv. Service, Los Angeles.

KDYL, Salt Lake City

Jaques Mfg. Co., Chicago (KC baking powder), 100 *sa*, direct.
Fisher Brewing Co., Salt Lake City, 13 *sp*, thru Gillham Adv. Agency, Salt Lake City.

WNAC, Boston

Sudbury Labs., S. Sudbury, Mass. (Chaperone), 20 *sa*, thru Mason L. Ham Adv. Agency, Boston.
Dr. Swett's Root Beer, 65 *sa*, 39 *sa*, thru C. L. Miller Co., N. Y.

WATN, Watertown, N. Y.

Atlantic Refining Co., Philadelphia, 5 *sp* weekly, thru N. W. Ayer & Son, Philadelphia.
Gulf Oil Co., Pittsburgh (Gulf Spray), 2 *t* weekly, thru Young & Rubicam, N. Y.

WEEI, Boston

Webster Thomas Co., Boston (canned food), *sa* series, thru Chambers & Wiswell, Boston.
Wm. Wrigley Jr. Co., Chicago (chewing gum), *sa* series, thru Vanderbie & Rubens, Chicago.
P. Ballantine & Sons, Newark (beer), *sa* and *sp* series, thru J. Walter Thompson Co., N. Y.

WMAQ, Chicago

Richman Brothers, Cleveland (clothing chain), 3 *sp* weekly, 13 weeks, thru McCann-Erickson, Cleveland.
Simoniz Co., Chicago (Simoniz Kleener in liquid form), 52 *sp*, thru George H. Hartman Co., Chicago.
Chicago Motor Club (AAA), 3 *sp* weekly, 39 weeks, thru Aubrey, Moore & Wallace, Chicago.

KFI, Los Angeles

American Cigarette & Cigar Co., New York (Pall Mall cigarettes), 25 *ta* weekly, thru Ruthrauff & Ryan, N. Y.

KHUB, Watsonville, Cal.

Progressive Optical Co., Fresno, Cal. (chain optical firm), *sp* series, thru W. L. Gleeson, Riverside, Cal.

KHJ, Los Angeles

Fels & Co., Philadelphia (Fels Naptha soap), 18 *sa* weekly, thru S. E. Roberts, Philadelphia.

KROW, Oakland

Enosil Chemical Co., Oakland (floor wax), daily *sa*, thru Tomaschke-Elliott, Oakland.

Seeks Wheeling Local

H. C. OGDEN, publisher of 15 newspapers throughout West Virginia and one in North Carolina, including the *Wheeling Intelligencer* and *News-Register*, holds 244 of the 250 shares of stock in the Forward Wheeling Radio Corp., applicant for a new local in Wheeling, 100 watts fulltime on 1450 kc. Charles L. Long as vice-president has 3 shares with J. L. Grimes S. Otte and Francis O. Stubblefield II each having 1 share.

WALTHAM PEN Co., Chicago, has stipulated with the Federal Trade Commission to stop certain representations for Waltham fountain pens "tending to cause the belief that Waltham fountain pens were manufactured and guaranteed by the Waltham Watch Co., well-known watch manufacturer", according to an FTC announcement last Friday. The FTC also announced acceptance of a stipulation by Westinghouse E. & M. Co., Pittsburgh, to stop certain advertising claims for electrical heating pads.

25% More People Inhabit Montana in the Summer

CIRCULATION MAPS RELEASED BY CBS

EIGHT CBS stations last week released listening area maps and weekly net circulation figures based on the CBS nationwide audience study conducted by Industrial Surveys Co., Chicago [BROADCASTING, March 3].

The CBS study, which set up a standard yardstick for circulation to replace the elastic concepts of "regular" and "occasional" listening, indicated the percentage of all radio families in each county listening to a station once a week or oftener. Coverage for each station was broken down into three levels: Primary for counties in which 67 to 100% of all radio families listened at least once a week; secondary area for 33 to 67% of all families, and tertiary areas for 10 to 33%.

Individual stations issuing the maps last week were WABC, New York; WBBM, Chicago; KNX, Los Angeles; KMOX, St. Louis; WEEI, Boston; WCCO, Minneapolis; WJSV, Washington, and WAPI, Birmingham. The stations will use the maps as selling tools to clarify their coverage in mathematical terms for clients and advertising agencies. Each station issued two maps, one charting daytime listening, the other evening. The reverse side contains a thumb-nail account of the CBS county-by-county survey which furnished the station coverage data. Other CBS affiliates are preparing their own coverage maps for release in the near future.

The CBS study released last March was the first in which audience data came not only from each county in the United States, but from each population cluster within the county. It was the first coverage survey based on a proper cross-section of the radio audience by income levels, and the first to report listening habits of the whole family, instead of relying on the answers of one person. Mail response reached the all-time high for surveys of an 81.2% return.

Bannerman Plans Tour Among Western Outlets

GLEN BANNERMAN, president and general manager of the Canadian Association of Broadcasters, Toronto, leaves June 27 on a seven-week tour of Western Canada stations, his first since taking office as the first paid CAB president and general manager in January. He will attend the annual convention of the Western Assn. of Broadcasters at Harrison Hot Springs, B. C., July 13-16. He starts his tour in Winnipeg when he arrives by airplane late June 27, and on the way west will call at stations there, Regina, Calgary, Lethbridge, and Vancouver.

After the WAB convention he returns to Vancouver, and on his return trip stops at Victoria, Kamloops, Kelowna, Trail, Nelson, Calgary, Edmonton, Grand Prairie, Saskatoon, Prince Albert, Yorkton and Winnipeg. He will meet the staffs of member stations, broadcast from a number of the stations and address a number of service clubs on the role of broadcasting in the war.

Radio Advertisers

FRESH FRUIT & Vegetable Advertisers of Southern California, Los Angeles (wholesale producers), new to radio, on June 16 started sponsoring a thrice-weekly quarter-hour program, *Here's to the Ladies*, on KECA, that city. Contract is for 52 weeks. Series is slanted to a feminine audience and promotes consumption of fruits and vegetables through institutional copy, omitting mention of specific brand names. Other advertising media includes point-of-sale displays and trade papers. Sholts Adv. Service, Los Angeles, has the account.

BEN HUR PRODUCTS Inc., Los Angeles (coffee, vitamin gelatin), in a six-week campaign ending June 30 is using heavy participation in local quarter-hour programs. Included in the staggered schedule are *Norma Young's Happy Homes* and *Eddie Albright* on KHJ; *Mildred Van's Houseparty* on KECA; *Violet Schram* on KFVD; *Smile in the Morning Club* on KFAC. In addition, firm uses six spot announcements weekly on KIEV, Glendale. Agency is Theodore B. Creamer Adv., Los Angeles.

STANDARD FEDERAL SAVINGS & Loan Assn., Los Angeles, in a six-week campaign ending July 31 is centering attention upon the summer reinvestment period through weekly use of 15 live announcements on KFAC, that city. Firm also sponsors a five-minute afternoon newscast five times per week on KFWB, Hollywood. Darwin H. Clark Adv., Los Angeles, has the account.

GEORGE WESTON Ltd. of Canada (biscuits), has signed for the 52 quarter-hour transcribed series, *Imperial Leaders*, depicting the life of Winston Churchill to be used on various stations throughout the Dominion. Kasper-Gordon, Boston, producer of the show, currently is preparing *England Expects*, dramatic series on Lord Horatio Nelson.

MUTUAL LIFE INSURANCE Co., Los Angeles (investments), through W. B. Ross & Assoc., that city, in a 13-week campaign ending Sept. 10 is sponsoring a quarter-hour newscast six times weekly on KFVD, Los Angeles. Firm also uses a similar news schedule on three other local stations, KFAC KRKD KGFJ.

CONSOLIDATED DRUG Trade Products, Chicago (Yeast Foam tablets), utilizing the same station time, on June 11 replaced its six weekly quarter-hour dramatic series, *Nightcap Yarns*, on KNX, Hollywood, with a western music program. Agency is Benson & Dall, Chicago.

Kolynos Starts Contest To Test Latin Program

KOLYNOS Co., Jersey City, which on May 7 started two Spanish and two Portuguese programs weekly on NBC's shortwave stations WRCA and WNBI to advertise its dentrifice to Latin American audiences, began a letter-writing contest June 14 to test the effectiveness of this type of advertising. Contest, running four weeks, asks listeners to write short letters telling why they prefer Kolynos toothpaste and to enclose Kolynos cartons.

Duplicate sets of prizes are offered for Portuguese-speaking listeners in Brazil and for the Spanish-speaking audience in the rest of Latin America, with three typewriters and seven cameras given away in each contest. Underwood-Elliott-Fisher Co., whose typewriters are used as prizes, is cooperating by advertising the contest in Latin America. Awards will be distributed through local dealers, winners receiving certificates from the company which the dealers will exchange for merchandise.

Kolynos shortwave broadcasts feature Jean Sablon, French singer who recently toured Latin America. Spanish broadcasts are Wednesand Saturday, 8:15-8:30 p.m., and Portuguese Monday and Friday, 6:45-7 p.m. Agency is John F. Murray Adv. Agency, New York.

RADIO dep't of the National Research Bureau has been moved to 320 N. La Salle St., Chicago, telephone, Superior 6365. This department, with 65 employes, is headed by Gerald B. McDermott, radio director.

SIMONIZ Co., Chicago, oldest consistent local advertiser on WMAQ, same city, has renewed for the eighth consecutive year its Sunday half-hour *Preview of Brand New Records* featuring Norman Ross as m.c. Agency is George H. Hartman Co., Chicago.

NA-STIM LABS., San Francisco (proprietary), in a 13-week campaign ending Aug. 30, is currently sponsoring a thrice-weeky five-minute early morning newscast on KNX, Hollywood. Agency is Brisacher, Davis & Staff, Los Angeles.

MONARCH BREWING Co., Los Angeles, is sponsoring a weekly half-hour program titled *The Old Timers* on KHJ, that city. Contract is for 52 weeks. McElroy Adv. Agency, Los Angeles, has the account.

SHARING HONORS at Kansas City's recent "Safety Day" celebration, Arthur B. Church (left), president of KMBC, Kansas City, and Karl Koerper (right), managing director of the station, receive for KMBC the CIT National Safety Award "for making the most effective use of its facilities in support of traffic safety during 1940". The award was presented by Ed Borserine (center), president of the Kansas City Safety Council. Kansas City was named the nation's safest city during 1940 by several national safety organizations.

Winchell-Hope Tied

WALTER WINCHELL and Bob Hope are tied for first place with a rating of 25.3 in the June audience report issued by C. E. Hooper, New York. This is the first time in the history of listener "measurement" that a quarter-hour weekly program such as Winchell's has achieved this prominence, Hooper says. June Hooper ratings reflect the usual downward summertime curve in listening, which will reach bottom in July and August.

KFAR

Does the job right!

89%
Of KFAR's 1940 National Advertisers renewed in 1941

94%
Of KFAR's 1940 local Advertisers renewed in 1941

43%
Overall increase in National Business first 6 months 1941

If you would reach rich Alaska thru its most effective medium

USE

1000 watts **KFAR** 610 kc.

Fairbanks, Alaska

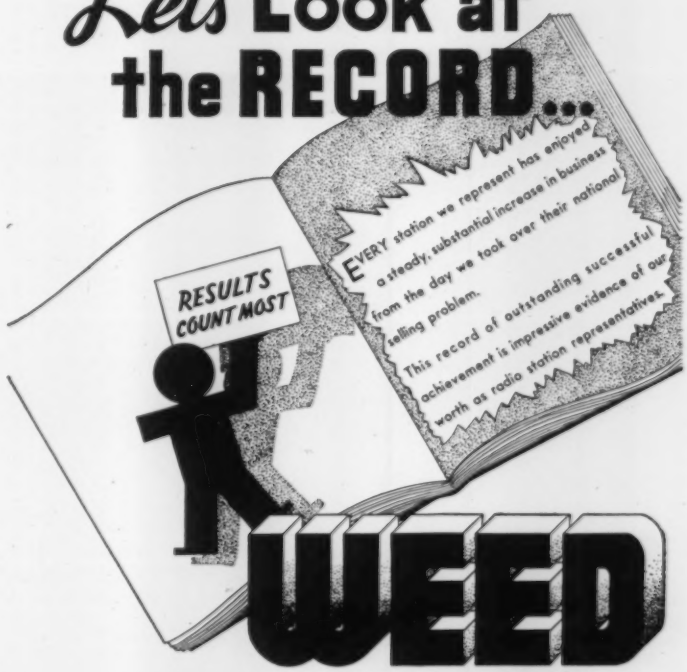
"IMPERIAL LEADER"

THIS TRANSCRIBED STORY OF WINSTON CHURCHILL BEGINS WITH HIS LIFE AT SCHOOL, THEN HIS MILITARY CAREER—HIS FIRST BATTLE AGAINST INDIAN TRIBESMEN—HIS EGYPTIAN CAMPAIGN WITH KITCHENER—HIS ESCAPE FROM A BOER PRISON CAMP—HIS ENTRY INTO POLITICS—HIS RISE AND FALL FROM POWER—THE HELP HE RECEIVED FROM HIS AMERICAN MOTHER—EPISODES IN HIS PERSONAL LIFE—THE REALIZATION OF HIS AMBITION WHEN HE AT LAST BECOMES PRIME MINISTER.

For information in regard to national or regional sales please write or wire

Kasper-Gordon, Inc., 140 Boylston St., Boston
Howard C. Brown Co., 6418 Santa Monica Blvd., Hollywood

Let's Look at the RECORD...


RESULTS COUNT MOST
EVERY station we represent has enjoyed a steady, substantial increase in business from the day we took over their national selling problem.
This record of outstanding successful achievement is impressive evidence of our worth as radio station representatives.

WEED
AND COMPANY
RADIO STATION REPRESENTATIVES
NEW YORK · DETROIT · CHICAGO · SAN FRANCISCO

Uniformity Sought In Disc Standards

NAB Subcommittee to Meet This Week

UNIFORM recording standards to eliminate the difficulties of radio stations due to differences in manufacturing characteristics of discs as well as recording and reproducing equipment will be discussed at a special meeting June 26 sponsored by the NAB engineering committee at the Statler Hotel, Detroit, following the Institute of Radio Engineers convention.

A subcommittee of the engineering committee had been appointed by Edward L. Gove, WHK, chairman, comprising Paul Loyet, WHO, chairman, and Morris Pierce, WGAR, and Robert Morris, NBC. The committee sent questionnaires on the recording and reproducing problems to all radio stations.

Need of Coordination

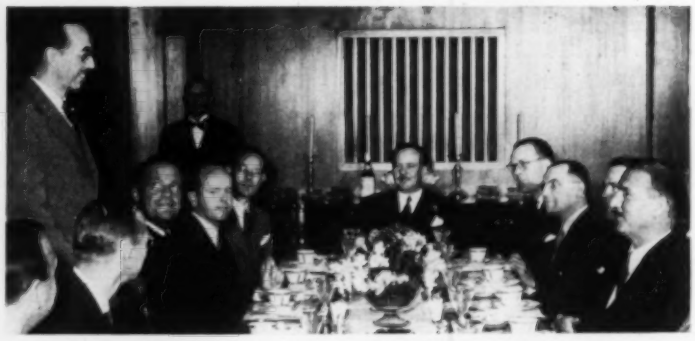
Results showed products of disc, recording and playback equipment manufacturers all possessed different qualities and were not readily adaptable to use with one another. Some companies, however, have coordinated all three elements with success. Stations in other instances were compelled to use as many as ten different equalizers for reproducing various transcriptions and even then could not obtain uniform results from some transcriptions.

The problem has been placed before a number of transcription and equipment manufacturers who have indicated they will cooperate in setting such standards. All parties interested are invited to appoint an engineering member of the committee and full information can be obtained from Lynne C. Smeby, NAB director of engineering, Washington.

Texaco Talent

TALENT for the initial CBS *Millions for Defense* program July 2 will include the regular board of Lucky Strike's *Information Please* series on NBC, namely, John Kieran, Oscar Levant and Franklin P. Adams, with Secretary of the Treasury Morgenthau as guest. Fred Allen, star of the current Texas Co. series, will be guest m.c. while Larry Elliott, co-announcer of the Texaco programs, will be permanent m.c.-announcer. The Texas Co., which is donating the Wednesday 9-10 p.m. period on CBS to the Treasury, will assume all costs for Elliott, the music by Al Goodman's orchestra and Ray Block's chorus, while guest stars will donate their services. Buchanan & Co., New York, is the agency.

NEW service to listeners advising them how to buy various products in view of the rising cost of living is now included on Lester Velie's analysis of business news program on WQXR, New York, titled *Ahead of Time.*



GATHERED ROUND the table to partake of a few vittles before delving into business are these smiling engineering staff members at the annual conference of NBC division engineers held in New York last week. Waiting for service to begin are O. B. Hanson, v.-p. and chief engineer (standing); C. D. Peck, San Francisco; A. E. Johnson, Washington; H. C. Luttgens, Chicago; Mark Woods; A. H. Saxton, Hollywood; S. E. Leonard, Cleveland; R. H. Owens, Denver; George McElrath, New York.

A WEEKLY BENEFITS BY RADIO

Small-Town Publisher Works Out Cooperative Plan
And Finds Air Medium a Blessing

A WEEKLY newspaper can and does benefit from radio competition—by buying time on the competing station and giving spot announcements free to newspaper advertisers. The successful plan, developed by Fred C. Ferguson, publisher of the *Longmont* (Col.) *Ledger,* is outlined in detail in an article in the June *Quill* magazine by Vernon F. Loughran, of the College of Journalism of Colorado U.

The *Ledger* is the only weekly in Longmont, a city of 8,000 which also supports a daily newspaper and a giveaway shopper's advertising guide, but has no radio station.

"One day I awoke to the fact that a representative of KFKA, Greeley, Col., 35 miles away, was working in Longmont—both sides of the street," Publisher Ferguson was quoted in the article. "What's more, he was getting some business, and some of our advertisers were spending a good chunk of their appropriation for a fling at radio publicity. I would have banished this intruder from our midst with great relish had it been within my power. I spent some thoughtful hours and finally concluded that if I couldn't lick 'em it'd be a smart idea to 'jine 'em'."

And It Paid

Publisher Ferguson's experience from "joining" with radio has been profitable, according to his story—within two years the *Ledger's* advertising linage has increased appreciably, job work has doubled, and the paper's popularity has reached new heights.

"After I contacted the station's business manager, we worked out a plan for us to take over what you might call the KFKA franchise in Longmont, at a figure we felt we could meet," he explained. "But we signed no contract until we proved to ourselves that we could more than finance the deal."

The plan worked out like this: The *Ledger* agreed to take a minimum of 15 minutes of radio time daily, from 9:15-9:30 a.m., when news of the Longmont area, along with whatever ads the paper might sell, would be broadcast from Greeley. The paper also optioned as much additional available time as needed, on a pro rata basis.

No radio advertising was sold directly by the paper, but it gave free announcements to buyers of *Ledger* advertising space. With each $5 ad, the advertisers also received three announcements a week, running from 50 to 60 words each; with each $7.50 ad, four announcements; with each ad of $10 or more, six announcements.

"The backbone of our plan, at least at first, was the group known as our 'Newscast Sponsors'," Mr. Ferguson explained. "Going out into the highways and byways, out among the boys who had probably never had a newspaper ad, we sold them on the idea of sponsorship, which would include a daily radio plug, and a small ad in each issue of the *Ledger.* These were signed contracts, on a monthly basis, and before the newscast ever went on the air we had more than enough to take care of the station cost and to pay the salary of the new man we found it necessary to put on to handle the radio and regular newspaper advertising. From the very first the Longmont newscast was a definite success. The second month our demand was so great that we used an extra 15-minute period during the noon hour."

Reciprocal Benefits

To build up the listening audience, the paper arranged with a Longmont theatre to announce its programs daily in return for tickets to be given to winners announced during each newscast. A local milling company also gave a packet of its products daily to one housewife listener.

Among other direct effects of the newspaper-radio cooperation, from the *Ledger* point of view, are a raising of advertising rates, a big jump in job printing business, with the city and community becoming increasingly "*Ledger*-conscious", a rise in circulation, an increase in the average size of ads, an increase in transient and casual advertising from previous non-advertisers.

Agreeing that radio stations in some circumstances constitute a threat to the economic welfare of a newspaper, Mr. Ferguson expressed his belief that the two can offer reciprocal benefits, each calling attention to the other. He admits also that his way of meeting the threat of radio competition would not apply to every community—he would not take on a newscast if he ran a daily, unless it would fend off possible competition, nor would he introduce radio if he had a weekly serving an exclusive field.

Amateur Violators Penalized by FCC

Commission Cracks Down on 13 For Foreign Activity

VIOLATION of the emergency injunction against communicating with stations in foreign countries has led the FCC to suspend licenses of 13 amateur operators for a period of 60 days. Though there was no evidence of subversive activity, the Commission said the licensees were engaging in direct violation of Order No. 72, which bans such activity because of the emergency. They were detected by the Commission's National Defense Operations Section.

Those affected by the suspension orders are James L. Waller, Pittsfield, Mass.; Halsey Walter Kline, Schenectady; Edward Anthony Gruler, Glendale, L. I.; Charles Robert Hoffman, Jamaica, L. I.; James Thomas Steele, Harrisburg, Pa.; Joe John Simon, Cleveland; William E. Elder, Hamilton, O.; Clifford LeRoy Highfill, Indianapolis; John Theodore Tyner, Glenview, Ill.; Ralph Edward Signaigo, Madison, Ill.; Robert Jon Hessler, Western Springs, Ill.; Eldon F. Davidson, Coffeyville, Kan.; and Oliver Ward, Junction City, Kan.

Others Caught

Continuing to crack down on unlicensed operators, the FCC has uncovered three new violators so far this month: Jack Baldwin, 20, of Portland, Ore., was released on $1,000 bond after he, without a license, was found to be communicating with other licensed amateurs. Carl Meeks, 26, was arrested June 13 on a similar charge as was David Gregg, Saulte Ste. Marie, Mich., on June 10. In each case direction finding equipment in a mobile unit uncovered the unlicensed operations.

The operators in each of the cases were charged with violating Sections 301 and 318 of the Communications Act.

E. C. GRIMLEY, president of RCA Victor Co., Montreal, has been elected president of the Radio Manufacturers Assn. of Canada for 1941.

XUM

"It's swell!"

—*Colgate-Palmolive-Peet Co.*

"Enthusiastic reports."

—*E. R. Squibb & Sons*

"You people extend superb co-operation"

—*Campbell Soup Co.*

"We appreciate your fine co-operation."

—*Benton & Bowles, Inc.*

STANDOUT LETTERS

from STANDOUT ADVERTISERS

about STANDOUT COOPERATION

to

KLZ

560 Kc.—C.B.S.

AFFILIATED IN MANAGEMENT WITH THE OKLAHOMA PUBLISHING COMPANY AND WKY, OKLAHOMA CITY—REPRESENTED NATIONALLY BY THE KATZ AGENCY, INC.

DENVER'S STANDOUT STATION

Merchandising & Promotion

Joe or Billy—Kolynos in Spanish—Initialed Slacks—Folding Schedule—Free Trips

CONTESTANTS mailed a postcard with a picture of Joe Louis or Billy Conn as their choice in a $25 prize contest staged by WHBF, Rock Island, as buildup for the MBS coverage of the fight. Additional publicity was sent to all weekly and daily papers in the area. The contest was featured on the daily *Sports Extra* program.

* * *

Golf Orchids

AN ORCHID is awarded every Friday evening to the best woman golfer in the Syracuse area by Nick Stemmler, WSYR sportscaster. Pros of various courses send Nick scores for the week. Sponsor is Hotel Syracuse Men's Shop. Ruth Chilton, WSYR director of women's activities, interviews a woman active in defense in her daily matinee.

* * *

News Personalities

AN EASY WAY of becoming acquainted with people whose names appear in current news stories is offered on *Musical Clock* on KGO, San Francisco. Announcers offer the names, correct pronunciation and about 80 words of biographical information on each individual to listeners who request the service.

* * *

Tube of Toothpaste

WITH a merchandising letter for Kolynos advertising, S. F. Woodell, international division sales manager of NBC, attaches a small tube of the product as marketed below the Rio Grande. The package is in Spanish. Reprints of advertising copy are enclosed.

* * *

Sponsor Displays

WINDOW displays, featuring the products of KMOX, St. Louis, advertisers, are being distributed by the station to independent and chain drug stores in the area. Different displays are shown for ten-day periods in each store in different sections of the city.

* * *

All-Night Telegrams

ANNOUNCING the beginning of WOR's 24-hour schedule, the New York station sent 150 telegrams to advertising executives throughout the area citing the advantages of sponsoring announcements on the late night show which had its premiere June 17.

* * *

Slacks With Monograms

SLACK SUITS, in cream and brown, are being worn as a promotional stunt by employes of KRGV, Weslaco, Tex. Call letters are monogrammed on the shirts and over 20 male employes are participating.

* * *

Baltimore Match

BOOK matches have been sent out by WBAL, Baltimore, in promoting its boost to 50 kw. Inside is a cut-out of WBAL's "little man", caricature of Lord Baltimore. Each match has the call letters imprinted.

Alaska Displays

A MERCHANDISING assistance program has been developed by KINY, Juneau, Alaska, as a service to its national accounts. Station representatives, in cooperation with Juneau merchants, erect displays of the radio advertisers products in the stores and in KINY's display window. Displays are also erected in other Alaskan towns by KINY's traveling representative. The station offers prizes for the best store display of advertised products.

* * *

Schedule Fold

PROGRAM schedule of WMCA, New York, is printed on a large sheet which folds neatly into a day-by-day listing. It is issued weekly.

Trips to Ontario

ONE-WEEK and two-week vacations in Ontario are the prizes offered on the CBS *Ontario Show* program to the five United States residents submitting the best 100-word letters on "Why I should like to spend my vacation this summer in the Province of Ontario." The Province will pay all expenses of the contest winners, each of whom may take a companion on the trip. The contest closes July 6 and the trips must be completed by Oct. 5. Agency handling the account is Walsh Adv. Co., Toronto.

* * *

Food Reporter Posters

LARGE three-color posters promoting the daily WJJD *Federal Food Reporter* broadcasts are being displayed throughout Chicago and suburbs in chain and independent grocery stores, meat markets, and vegetable stores. Lance Hooks, featured on the program for the U. S. Department of Agriculture, discusses market trends, "best buys" for housewives, and other news.

BROCHURES

MBS, New York—Brochure telling of MBS growth in the field of sports broadcasts.

UP—Information on a few of its staff of foreign correspondents covering the European scene.

NBC-Red—Folded poster simulating a suitcase, with list of subjects on the weekly *World Is Yours*.

WFBL, Syracuse—16-page booklet analyzing mail returns from the various products advertised on the station.

WTAM, Cleveland—Orchid and yellow-colored booklet offering spots on *Women's Club of the Air* for sponsorship.

WLAW, Lawrence, Mass.—Showing photostatic copy of article in Boston paper showing Lawrence as a "No. 1" center in the nation.

WMCA, New York—Grey and black folder showing clips of the various newspapers and the prominence of WMCA in that news for a single day.

Purely PROGRAMS

NAVAL FLIGHT recruiting show is being produced by WCAU, Philadelphia, tracing the career of a typical cadet from preliminary training through Pensacola to a berth with the fleet. WCAU's mobile unit will be taken to Mustin Field to record actual flight training scenes. The programs will be recorded and processed by the Navy Department for use on stations throughout Pennsylvania, New Jersey and Delaware.

* * *

New Acquaintance

TO ACQUAINT agencies with the operation of its new 50,000 watts, WBAL, Baltimore, has set aside two 30-minute evening periods weekly starting July 1 for advertising agencies of Baltimore to present a radio program of their own origination. The station will contribute the time and its facilities and the agencies are to furnish the ideas and the talent.

* * *

Problems of Parents

PROBLEMS of parents are discussed in *The Question Before the House* on WTMJ, Milwaukee, under auspices of Milwaukee-Downer College. It is a Saturday morning feature. Dramatized skits depict situations and listeners' questions are answered.

* * *

Government and Defense

HEADS of various Government departments are interviewed as to their particular line of work, and how it ties in with defense activities on *This Is My Job*, on the new WWDC, Washington.

* * *

Good-Humored Golf

GOLFERS must be good-natured if they want to listen to *Meet the Golfer*, new Saturday night program on WTAG, Worcester, Mass. Golf tips, news and guest stars are featured.

Cash or Consolation

A QUIZ giveaway of the wheel type harks back to the Tabor Days in Colorado as KLZ presents the weekly *Silver Mine* sponsored by Blue Bonnet Salad Dressing. Listeners with the sponsor's product on hand are asked easy questions, and vice versa. Quizees either win $25 or get consolation prizes picked out of a premium book of household appliances. These prizes are picked when a sponsor representative calls at the home.

* * *

Behind the Mike

TAKING the listeners backstage in radio to explain the various functions and duties in a station is the format of *Meet the Staff* introduced by CJCA, Edmonton, Alta. First broadcast dealt with the technical operation of the station stressing the importance of the control man to any program.

* * *

Business Quiz

AIMED at an audience of business men and women, *What Would You Do—and Why*, on KWK, St. Louis, poses a business problem and asks listeners to write in their solutions with a prize for the best answer. Heard five days weekly, each program poses one problem and gives the best answer submitted to a problem heard on an earlier day.

* * *

Information for Hikers

LISTENERS are given suggestions for picturesque and interesting walks in various sections of San Francisco and told what can be seen on each jaunt in the new KYA program *Walks Through San Francisco*. Program is sponsored by the Doumitt Shoe Co., San Francisco.

* * *

Fun With Musicians

MUSIC fans in Colorado hear name band folk on *Meet the Musician*, new program on KVOR, Colorado Springs. Wacky format livens interest in the interviews.

Melodic Quiz

MUSICAL questions in the form of brief excerpts played from symphonic and operatic works are directed to a board of Hollywood musical experts on the KMPC, Beverly Hills, Cal., weekly sustaining quiz program, *Are You Musical?* Bill Farquhar and John Crown, pianist and musical authorities, share m.c. duties. Listeners whose suggested questions are used on the broadcasts receive their favorite record as a prize.

* * *

Broadway Successes

RADIO ADAPTATIONS of Broadway plays with the original casts are presented Monday nights on WHN, New York, on the variety program *Summer Theatre of the Air* arranged in cooperation with the New Central Theatre of Cedarhurst, Long Island. Directed by David Leonard of the New Central Theatre, the programs also feature Dick Ballou's orchestra.

* * *

FM Programs

TWO new Saturday afternoon programs on W71NY, FM station owned by WOR, New York, are *I Hear America Singing*, featuring national choral groups and presented in cooperation with the Dept. of Justice, and *From the Kentucky Mountains*, a program of folk music and stories of the people of Kentucky as presented by the State's university.

* * *

Delegates Greeted

WHEN the National Federation of Sales Executives met June 12-14 in Cincinnati, WKRC kept guests supplied with copies of the affiliated *Cincinnati Times-Star*; keyed a number of local and MBS broadcasts from the convention; provided talent; pinned white carnations on delegates.

* * *

Midget Race Results

IN VIEW of a survey showing that some 40,000 of the 400,000 midget auto racing fans frequent the race tracks around New York City, WWRL, Woodside, L I., has scheduled a weekly *Auto Race Review* conducted by Bill Tuthill, auto racing authority.

XUM

We give you NEW ENGLAND!

THE mighty impact of WBZ's new 50,000-watt transmitter has swept back radio's frontier in New England with compelling force.

Here, in print and in fact, is the new pattern of WBZ-WBZA coverage. It is a pattern wrested from the sensitive dials of signal measuring instruments, and from the fingers of 50,822 listeners who wrote us letters. It is a pattern showing 65 per cent increase in Primary county coverage alone - a pattern rendering obsolete all other WBZ-WBZA maps.

This matchless coverage of New England and the all-important market, Greater Boston, is yours for those vital summer and fall campaigns . . . *at no increase in rate.*

Phone or write any NBC Spot Sales representative for the detailed presentation, "We Give You New England!"

WESTINGHOUSE RADIO STATIONS Inc
KDKA KYW WBZ WBZA WOWO WGL WBOS
REPRESENTED NATIONALLY BY NBC SPOT SALES

XUM

BROADCASTING and Broadcast Advertising

MARTIN CODEL, Publisher
SOL TAISHOFF, Editor

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J. FRANK BEATTY, Managing Editor ● W. R. McANDREW, News Editor

NEW YORK OFFICE: 250 Park Ave., Telephone - PLaza 5-8355
BRUCE ROBERTSON, Associate Editor ● MAURY LONG, Advertising Manager
CHICAGO OFFICE: 360 N. Michigan Ave., Telephone - CENtral 4115 ● EDWARD CODEL
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Vitamins for Radio

WHILE it is always difficult to find fault when business is good, there seems little excuse for the neglect in selling the vitamin industry on the use of radio for exploitation. To date, advertising of vitamin products by radio has been of a minor nature. When one considers that the sales of concentrated vitamin products alone—capsules, pills, tablets and wafers—totaled $100,000,000 in 1940, there seems little doubt that here lies a lucrative source of radio revenue. Coupled with the fact that the Government is embarked on a widespread nutrition campaign to improve the nation's health, these figures make the vitamin industry a natural for summer radio.

Toward a New Law

UNLESS all present signs fail, the FCC's "wrecking operation" on commercial broadcasting has been slowed down to a walk, if not stopped. Enough has been said by members of the Senate Interstate Commerce Committee, sitting in judgment over the fate of radio during the last three weeks of hearings on the White Resolution, to end the obstreperous pace of the FCC majority and bring about at least temporary relief. It is now evident that the eight so-called "monopoly" rules won't become effective Aug. 2.

It is not our purpose to exude optimism or to assert flatly that FCC Chairman Fly's assault upon the industry is ended. Far from it! The White Resolution, which would stay the FCC's hand in invoking its "death sentence" rules, may not even win committee approval. But it is clear that the sheer logic of the industry case has deeply impressed the dozen or so committee auditors and that they see clearly the need for a new law.

Most encouraging is the attitude of Chairman Burton K. Wheeler. Never a protagonist of the FCC, he nevertheless has been loath to interfere with the functioning of a Government agency. But after listening to the testimony of such figures as Commissioner T. A. M. Craven, Mark Ethridge, William S. Paley, Former Judge John J. Burns and Niles Trammell, he admitted the need for a new law and full hearings, and agreed that certain of the new "monopoly" rules, notably the ban on time options, were too drastic.

It was Commissioner Craven, the only man on the FCC with any practical radio background, who laid the foundation for the industry's case. He did not spare commercial broadcasting for some of its activities, but he questioned the FCC's authority to do the things the majority has decreed, and he predicted chaos if the rules were invoked.

Comdr. Craven's calm appraisal of the FCC's legitimate functions, as contrasted to Chairman Fly's almost frenzied outbursts against NBC and CBS and the "so-called" trade association, could not help but convince the Senate committee that justice has not been done American radio or the radio industry. Those who heard the brilliant testimony of Bill Paley, founder of CBS at 26, and the forceful plea of Niles Trammell to save a pioneer network sentenced to death by the FCC majority, certainly responded to the impact of a just and righteous cause.

The crisis isn't over. Anything can happen while legislation is before a committee and while a fierce battle rages between the Fly-controlled FCC majority and an industry fighting for its life.

Chairman Wheeler feels a new law should be written. So does Senator White, who is poised to introduce a new bill on 24 hours notice. So do at least a dozen other members of the committee. And the FCC majority (as does the minority) should welcome a new clear-cut statute from its "boss", the Congress, to relieve it of all of this strain of finding backdoors and loopholes.

Cry for Technicians

RADIO's all around importance in time of war was never more vividly emphasized than last week when the British government issued a call for non-combatant American volunteers to man its new "radiolocator". There is significance in the fact that it was need for trained radio personnel that necessitated the first outright British demand on American manpower. This British need, coming on top of the ever increasing shortage of trained engineering personnel in our own radio industry due to the requirements of the Army and Navy, presents a serious problem to Government officials and station operators. With "raiding" of small station engineering staffs by larger and more prosperous outfits already under way, with no blanket Selective Service deferment even for chief engineers and with many operators in the smaller stations eligible for the draft, this nation's "locals" face an increasingly difficult time. It is even possible some of them may be forced off the air for lack of engineers. In many small communities this might have a serious effect upon the lives of the populace—places where the "local" is the main contact with the world at large. Thus there is need for an immediate joint study by both the industry and the Defense Communications Board to seek means to prevent any American station from leaving the air for lack of trained personnel.

Guestitorial

THE DREAM OF LEMUEL Q. JAWBREAK

By BERTRAM HAUSER
Assistant Promotion Manager
NBC-Blue Network

THIS IS A STORY about Lemuel Q. Jawbreak, president of the Jawbreak Cereal Co., who dreams that he is living far back in the Stone Age, with everything in its crudely unfinished state of that day, excepting one thing.

That one thing is production. It alone is on its present day basis. All forms of products and merchandise flow from gigantic machines, as if by magic. Practically everything else, however, is primitive, undeveloped.

This dream is the result of some meditation that Lemuel indulged in that very afternoon. He had been thinking about the distribution, the sales, of Jawbreak Cereal.

Amid the utter crudity and sparseness of the Stone Age, he now visualized a single manufacturing plant. It was the plant of the Jawbreak Cereal Co. modern in the Twentieth Century sense.

It is running full capacity. Artistically attractive boxes of Jawbreak Cereal drop one after another onto a conveyor. Immediately and clearly, he sees that his problem is to reach the greatest possible number of prospects at the lowest possible cost each—with a message that *actuates* to the fullest possible extent.

How can he accomplish this aim? Lemuel concludes that the ideal method would be to talk personally and intimately to as many people, as many ultimate consumers, as possible; to tell them face-to-face about Jawbreak Cereal.

He decides to carry out this idea—and experimentally employs a man to travel from cave to cave. This man starts out upon his calls. From cave to cave he journeys, telling each cave-wife and her family about Jawbreak Cereal, and urging them to use it.

A month passes. Lemuel is disheartened. His representative tells him that few cave-wives and families listen to him attentively, let alone digest his sales talk.

Lemuel deliberates the matter. An idea sparks in his mind. He decides that if the representative includes in his presentation some form of entertainment, he will be given a more welcome and attentive reception.

Now, the representative starts off anew. This time he takes with him a singer. On every visit, he has the singer render appealing melodies, which the representative punctuates with discussions of Jawbreak Cereal. He finds the strategy effective, especially when he tones down his commercial talk and makes it brief. More cave-wives and families bid him welcome and listen to his story attentively.

Another month passes. Lemuel again reviews his representative's work. He finds that the second month has been much more successful than the first.

However, it is still far from being satisfactory. The trouble is that the representative and the singer have not been able to make enough calls. At the rate they are going, it will

(Continued on Page 33)

We Pay Our Respects To —

JOHN EDWARD McMILLIN

JOHN EDWARD McMILLIN, vice-president of radio at Compton Advertising Inc., looked across his desk and smiled. "Sure, I'm having fun, so much fun, in fact, I don't want to go to a desert island. I don't want to take a year off and turn out the Great American Novel. I don't want to take up stamp collecting, or dog fancying or the manufacture of wicker furniture. I like the job I've got!"

Anybody who manufactures wicker furniture ought to give three cheers for that. For if ever John McMillin decided to manufacture wicker furniture, he'd probably offer some stiff competition. He's really at his best when he gets on the trail of a brain child, because that's the time his creative and executive ability really shine. He not only sparks to the idea, he has the drive and stick-to-itiveness to see it through. And if "seeing it through" means a good fight or driving a fair bargain, so much the better.

In many ways John McMillin is a mass of contradictions. He strides along and frequently scowls like a bull-dog. But that's purely a defense, because he's genuinely shy and exceedingly sensitive!

He has more than an ordinary interest in people as individuals. And he proves that every chance he gets. The radio department at Compton is staffed with young people. And "Boss" McMillin gives them every opportunity to demonstrate their individuality. He'll load a willing worker down with all the responsibility he'll take. But if the load gets too heavy, he pitches in and shares the burden.

That kind of attitude must pay dividends. Because here's the record the 56 people in the Compton radio department hung up in 1940:

They guided 23 shows through a total of 2,997 network broadcasts and 1,922 local presentations. Last year, CAB reports steadily showed four out of the first ten daytime programs were Compton programs and on two occasions five Compton shows were among the ten leaders.

The agency's most important nighttime show, *Truth or Consequences*, is the highest rated audience participation show on the air, and its popularity built more rapidly than that of any new night program in five years. It is the highest rated night show Procter & Gamble Co. has ever had.

That's a mighty impressive report to be signed by one of the youngest executives in a top-flight agency. John McMillin, you see, is just 33. He was born in North Adams, Mass., July 3, 1908. His dad, who died in 1918, was Ralph McMillin, famous sports reporter in Boston.

John attended public school in North Adams, and was graduated from Yale in 1929. The day after he doffed cap and gown he had an interview with an account executive at the Blackman Agency. The account executive was Richard Compton, now head of Compton Advertising, successor to Blackman. McMillin started work ten days later.

Daytime radio was beginning to make itself heard in the early 1930's just about the time that John McMillin was beginning to make himself heard as an advertising copywriter. He was in the thick of campaigns for such internationally known products as U. S. Rubber, Vacuum Oil, Hudson Motors, Ivory Soap, Camay, Crisco, Chipso, Chase National Bank, the National City Company and Seagram's Whiskey. In each of a number of years he wrote advertising that received annual billings amounting to more than $1,000,000. He wrote hundreds of ads for newspapers, magazines, billboards, car cards, posters and folders. He wrote, directed and produced several two-reel and five-reel commercial movies. And, of course, he wrote reams of radio commercials.

That's how John McMillin spent the ten years from 1929 to 1939; what he did enroute from copy cub to vice-president.

Meanwhile, another copywriter at the agency, Miss Emily Sheets, had changed her occupation to housewife and her name to Mrs. John McMillin. The family now includes Robert, 7, and John, 4.

After two years at the helm—plus 10 years as a member of the crew—McMillin has a few things to say about radio.

"I believe all radio can and must sell more expertly in the future than in the days when the medium was new.

"It seems to me that too much time and thought are wasted on the trimmings of radio production; that too many radio people are still impressed by 'names' rather than ability, by 'ideas' rather than execution, by tricks of sound effects, engineering and acting rather than by sound dramatics, solid scripts and good basic showmanship."

McMillin is strong for copywriter-announcer cooperation. He insists that all commercials turned out by the Compton Agency be thoroughly rehearsed in the agency's own studio in advance of the program rehearsal.

The commercial writer invariably attends these rehearsals to capture the announcer's personality and copy to fit it. There are still other McMillin-inspired operations. For example, many of the shows put on by the agency are bought in a "package" from outside producers.

"I believe in an agency maintaining a free market for radio programs," he says. "That is, in a situation in which you can buy any type of program from anybody. Some agencies have special pets, some have talent to whom they have commitments. We don't. We'll buy anywhere we can find the best program and the greatest value for our clients. That is basically the reason for our program buying policy.

"Another phase of it is this. I believe the agency must act in the role of critic and supervisor in the client's interest, but I am certain that where an agency acts as program writer, or actor, or even studio director, it's very, very hard to be at the same time a hard-boiled critic and impartial supervisor. His own pride gets all tangled up in the thing."

That kind of thinking shapes the course of one of the largest radio operations in the agency business. And it's that kind of thinking that made John McMillin one of the youngest executives in a top-flight agency.

Personal NOTES

BARRY BINGHAM, publisher of the *Louisville Courier-Journal* and *Times*, operating WHAS, is now stationed at the Great Lakes Naval Training School, having been called up May 15 as a reserve lieutenant. He is acting as assistant public relations officer for the ninth naval district. His duties at the newspaper and station have been taken over by Mark Ethridge, vice-president and general manager.

JOHN ROYAL, NBC vice-president in charge of international radio, about July 1 leaves by plane for a seven-week business tour of South America.

BERT ADAMS, of the service division of NBC station relations, is the father of an 8-pound baby girl, born June 6.

BOB McRANEY, general manager of WCBI, Columbus, Miss., has been named to head the Radio Division for the Civilian Defense Organization for Lowndes County and vicinity. He was also recently elected as one of two delegates from the Columbus, Miss., Exchange Club to the Mississippi Exchange Club Convention held in Meridian.

JAMES EATHERTON, of WCBI, Columbus, Miss., formerly associated with Grove Labs., St. Louis, Mo., has been promoted to head of the WCBI sales staff, replacing Bill Williams.

ROBERT J. RICHARDSON, formerly special sales representative of KWK, St. Louis, has been appointed sales service manager.

JACK COMFORT, formerly of the sales department of WMT, Cedar Rapids, Ia., has joined WGKV, Charleston, W. Va.

ARTHUR HULL HAYES, general manager of WABC, New York, on June 15 (Father's Day) became the father of an 8½ pound girl, Mary Ann, his third child.

SIDNEY N. STROTZ, NBC vice-president in charge of programs, has been placed in charge of all programming for NBC's FM station, W2XWG, heretofore managed by the network's engineering department.

FRED D. FLEMING, news editor of KLZ, Denver, has been named to the State Defense Commission.

JAMES L. HOWE, resident manager of WBTM, Danville, Va., has been elected president of the town's Junior Chamber of Commerce.

HERBERT KREUGER, research director of WTAG, Worcester, has been elected president of the Worcester Lions Club.

H. G. WELLS, manager of WJHP, Jacksonville, Fla., has been commissioned by the Governor of Florida as a first lieutenant in the newly-organized Florida Defense Force.

DUDLEY TICHENOR, manager of KVOR, Colorado Springs, has beeen named to the State Council for National Defense.

JOHN TREGALE of the Toronto office of All-Canada Radio Facilities, station representatives, starts on an air tour of western stations represented by the Toronto office early in July.

GEORGE F. BOOTH, publisher of the *Worcester* (Mass.) *Telegram* and *Gazette* and owner of WTAG and W1XTG, that city, has been named a national sponsor of the USO.

J. SOULARD JOHNSON, director of sales promotion of KMOX, St. Louis, has been named chairman of the St. Louis Association of Manufacturers Representatives' annual picnic.

MILTON SHREDNIK has been appointed director of music of KOA, Denver, succeeding Chester Smith, recently resigned.

BEHIND the MIKE

FRANK DENT, former program director of KITE, Indianapolis, has joined the announcing staff of KRGV, Weslaco, Tex.

BARBARA JO ALLEN, known professionally as Vera Vague on the NBC *Signal Carnival*, sponsored by Signal Oil Co., Los Angeles, has been signed by Republic Studios for a comedy role in the film "Ice-Capades".

FANNA MAE HART, publicity and promotion director of KVOO, Tulsa, is in Hollywood on a business and pleasure trip.

LOU SILVERS, Hollywood musical director of the CBS *Lux Radio Theatre*, sponsored by Lever Bros., has started his sixth year on that program. His contract was renewed for 26 weeks effective June 2.

FRED BARR, former announcer of WARD and WBYN, Brooklyn, has joined WWRL, New York, replacing Douglas Way who resigned to join AFRA.

KNOX MANNING, Hollywood commentator, has been signed by Warner Bros. to narrate two short subjects, "Miracle Makers" and "Polo With the Stars," now in production.

BILL RODDY has joined the announcing staff of KHUB, Watsonville, Cal.

JOHN HOLBROOK, announcer of WGN, Chicago, on July 9 will marry Jeannie Jones at Greenville, N. C. Miss Jones was Holbrook's secretary when he managed WGTC, Greenville.

THINGS AIN'T SO HOT IN FURNACE (Ky.)!

So far as sales possibilities are concerned, Furnace (Ky.) is a pretty cold proposition. So if you're paying good radio money to cover Furnace and the like, you'd better bank your fires! On the other hand, the Louisville Trading Area has 1,288,000 people who buy far more than the rest of Kentucky *combined!* It's a red-hot market covered *completely* by WAVE—the only NBC Red Network Outlet within 100 miles! Shall we turn on the heat for *you?*

LOUISVILLE'S WAVE

5000 WATTS . . . 970 K. C. . . . N. B. C. Basic Red

FREE & PETERS, INC.
National Representatives

HELEN MURRAY, of NBC Hollywood sales promotion staff, has been elected secretary of the Los Angeles Women's Adv. Club.

LEONARD LEVINSON, Hollywood writer, is currently in Chicago preparing scripts for the NBC *Hap Hazard* series which starts July 1 under sponsorship of S. C. Johnson & Son, Racine, Wis. (floor wax) as a summer replacement for *Fibber McGee & Molly*. Cecil Underwood, West Coast manager of Needham, Louis & Brorby, Chicago agency, servicing the account, leaves for that city June 27 to handle production.

JANET KISTEMANN, of the production staff of KYA, San Francisco, is on a month's leave and is replaced by Kay Winslow.

EDMUND KERR, formerly of KOY and Arizona State Network, has joined the writer's staff of Photo & Sound, San Francisco transcription firm.

CHARMAIN WERNER, new to radio, recently joined KSFO, San Francisco.

GEORGE RYAN has been added to the announcing staff of KLX, Oakland, Cal. succeeding Bill Switzer.

ADRIAN GENDOT, writer, of KFRC, San Francisco and Lois Allen Hampton, of KYA, San Francisco, were married June 22.

ADOLPH SCHNEIDER, NBC news writer, on June 13 became the father of an 8-pound baby boy.

DAVID LEEDS, formerly of WPEN, Philadelphia, and free-lance radio actor, has joined the announcing staff of WAAT, Jersey City.

HELEN SULLIVAN, receptionist and continuity writer of KHQ-KGA, Spokane, Wash., has resigned to go to California.

JACK LYMAN, program director of KOA, Denver, has been called in as special consultant on amplification arrangements for the Denver-owned mountain amphitheatre at Red Rocks Park.

HAL PARKES, formerly of KLO, KUTA, WBBM and KOIL, has joined the announcing staff of KROW, Oakland, succeeding Hal Chambers, resigned.

BILL RHODES, formerly of Washington State College, has joined KHQ-KGA, Spokane, Wash., as vacation relief announcer and writer.

LOUIS D. LIVINGSTON, formerly of KOL, Seattle, has joined the continuity staff of KHQ-KGA, Spokane, Wash.

HOMER M. HAINES, formerly of WKMO, Kokomo, Ind., has joined the engineering staff of WMAN, Mansfield, O.

LEROY MILLER, announcer of KYW, Philadelphia, on June 13, married Hope Alessandroni, daughter of a Philadelphia Common Pleas Court Judge.

BOB TRENDLER, since 1934 director of the WGN, Chicago, chorus, on June 14 was appointed conductor of the station's dance orchestra.

RYE BILLSBURY, free lance announcer, has joined the announcing staff of WJJD, Chicago.

LOUISE LANGLEY, secretary of WCBS, Springfield, Ill., on May 24 was married to Morris Etter of Taylorville, Ill.

CHARLES P. SHAFFNER, long associated with farm journals and radio programs has been appointed director of rural programs of WCAU, Philadelphia. In addition he will develop a series of programs designed primarily for rural interest and service.

LEW FISHER has returned to WCAU, Philadelphia, after three months at a Naval Reserve training station, where he earned a Reserve Ensign's commission.

Meet the LADIES

ROBERTA BEATTY

FEW WOMEN active in radio today can answer the roll call of radio pioneers When Roberta Beatty back in 1923 received a telephone call in New York from a fellow vocal student, inviting her to try out a couple of songs over the air, her die was cast. At the time Roberta was playing in a Broadway show, "Aren't We All" featuring Leslie Howard, but she was convinced of the future of the new medium by that fellow student—Graham McNamee. During World War I she took an active part in ambulance driving in France for nearly two years. Now, as the presiding personality in the morning feature of CFCF, Montreal, *For Ladies Only*, Roberta, through her stage and radio experience, has succeeded in bringing an informal technique to her broadcasts, of distinct appeal to women.

FRANK DUNNE, formerly of WTAG, Worcester, has joined the announcing staff of MBS-WOR, New York.

CHARLES KLEIN, of the NBC Chicago guide staff, leaves for San Diego June 30 to join the Marines. Scott S. Runge, of the same department, has been granted a leave for military service.

JOHN BARTLY, pianist with Johnny Bowman's orchestra, on WCKY, Cincinnati, was inducted into the Army at Fort Thomas, Ky.

DICK ELGAR, Johns Hopkins and Baltimore Law School graduate, has joined the announcing staff of WBAL, Baltimore.

EVERETTE HOWARD has replaced Russ Johns, resigned, on the announcing staff of WFVA, Fredericksburg, Va. Six months Howard had resigned, with Johns taking his place.

GEORGE B. GERMAN and Eddie Martin, of WNAX, Yankton, S. D., have sold five cowboy songs to M. M. Cole Publishing Co., Chicago.

JACK BERRY formerly of Yankee Network, has joined the announcing staff of WDRC, Hartford.

VICTOR WINTERMEYER, assistant in the accounting department of KMBC, Kansas City, on May 11 married Thelma Butterworth in Independence, Mo.

G. CONRAD RIANHARD, formerly of WRTD, Richmond, has joined WBTM, Danville, Va., as a writer.

J. A. BLACK, formerly program director of WDNC, Durham, N. C., has rejoined the production staff of WBTM, Danville, Va.

BRADFORD ANSLEY, formerly of WSB, Atlanta, and now with AP radio in New York, was married recently.

MANUEL COOPER, assistant publicity director of WSB, Atlanta, leaves shortly for a year in the Army.

MALCOLM RICHARDS, formerly of WJHO, Opelika, Ala., has joined WCOV, Montgomery, taking the spot vacated when Weston Britt was made fulltime musical director.

TOM CAFFERTY, music commentator of KDYL, Salt Lake City, on June 29 is to marry Jean Huntzinger, of the station staff.

BILL ERIN, graduate of Wisconsin U and former sports announcer at WHA, Madison, has joined WOWO, WGL, Fort Wayne.

PEGGY WILLIAMS has been named director of women's programs at KGW, KEX, Portland, Ore.

FRANKLIN METZNER, of KBTM, Jonesboro, Ark., leaves July 5 for New Orleans to join the Navy. Taking his place is Edward Holmes, graduate of Bob Jones College, Cleveland, Tenn.

BERT STILLE, formerly of WBNS and WOSU, Columbus, has joined WMRN, Marion, O., as dramatic editor and announcer.

FRANK K. TELFORD, formerly script writer and producer for the radio department of the Detroit public schools, and William F. McMorrow, freelance radio writer, have joined the radio section, division of information, Office for Emergency Management, Washington.

CHARLES SEBASTIAN, chief announcer of KSCJ, Sioux City, Ia., recently presented his 1,000th consecutive news broadcast on KSCJ.

GANUS SCARBOROUGH, announcer of WJHP, Jacksonville, Fla., is the father of a baby boy born June 11.

BRENDA ROSS, from Boston, has joined WFPG, Atlantic City, to conduct the *Home Hour*.

JERRY LAWRENCE, announcer of WOR, New York, and conductor of the WOR *Vagabonds' Trail* program, is acting as announcer-producer of the 2-5:30 a.m. period added to the WOR schedule seven nights a week.

HUGH HARPER, formerly of WSUI, Iowa City, Ia., and KGNO, Dodge City, Kan., has joined the announcing staff of KSCJ, Sioux City, Ia.

HUGH CONOVER, WJSV, Washington, announcer, is the father of a girl, Linda, his second child.

ROBERT SCHMID, MBS sales promotion director, is the father of an 8-pound baby girl, born June 16 at Doctors Hospital, New York.

Another KOA Client says....

"We certainly do appreciate the fine cooperation . . . extended us in making our new dealer drive a success."

KOA 50,000 WATTS NBC RED NETWORK DENVER

REPRESENTED NATIONALLY BY SPOT SALES

FERNAND AUBERJONOIS, chief of the French section of the NBC international division and conductor of daily broadcasts in French on WRCA and WNBI, NBC shortwave stations, has been made an Officer of the Order of Honor & Merit by the Republic of Haiti "for meritorious service to the cause of Pan-Americanism and for the promotion of closer relationships between the French speaking people of Haiti and the United States."

DICK KEPLINGER, news and special events director of KOMO-KJR, Seattle, and Mary Lee Barnes of the publicity staff, were married May 30.

HARLOW WILCOX, CBS Hollywood announcer, has been signed for a role in the RKO Radio Pictures film, "Look Who's Laughing".

BILL GOODWIN, CBS Hollywood announcer, has recovered from influenza.

EDWIN BROWNE, religious and educational director of KMBC, Kansas City, was installed June 1 as pastor of Bennington Church of Latter Day Saints.

MILDRED BOHNSACK, librarian of KMBC, Kansas City, has joined her husband, Dr. Ralph Bohnsack, at Anker Hospital in St. Paul where he will begin his interneship July 1.

JOSE SANTOS QUIJANO, of Colombia, has joined the foreign language staff of CBS as Spanish announcer and commentator for musical and cultural programs.

JOE GOTTESMAN, CBS Hollywood special writer, is completing a new illustrated book titled *Leopold*, the story of a laughing hyena.

BILL EDMUNDS, formerly staff announcer of WFIL, Philadelphia, left the station to take a similar position with WHN, New York.

IVAN SCHOOLEY of KOA, Denver, recently became the father of a baby girl.

Mrs. Emma Lanning

MRS. EMMA VAN ALSTYNE LANNING, 85, homespun philosopher of WLS, Chicago, known as "Aunt Em", believed to be the oldest person regularly employed on any radio station throughout the country, died June 16 in the Illinois Masonic Hospital, Chicago. Death followed a fall in her home May 3, in which she broke her hip. During the time she was employed by WLS she had not missed a single broadcast. Married at 19, she was a widow before 36. Her one son by the first marriage, Egbert Van Alstyne, who survives is a composer. She later married again and mothered six step-children. In 1921, at 65, she entered Chicago Musical College, graduating in 1925, just 20 years after her son graduated from the same institution. Before joining WLS she appeared on stations in Grand Rapids, Mich., and Rockford, Ill.

KFRU
COLUMBIA
Bombshell of Missouri!
Winner of the "George Foster Peabody Award" for Distinguished and Meritorious Public Service Programs in the local channel group durng 1940.
1400 KC. ★ 250 Watts

Guestitorial

(*Continued from page 30*)

take centuries to cover the hundreds of thousands of cave dwellers that need to be covered.

Lemuel considers employing a thousand pairs of representatives and singers to do this work. But he immediately sees the utter impracticability of the idea, its excessive cost.

At this point, a genie appears before Lemuel.

He says, "Lemuel, I am here to do you a favor. With this magic box I shall make it possible for your representative and singer who have been addressing cave-wives and families one by one, to address millions at the same time, in the same intimate ,personal way. He and the singer will simply direct thei rvoices into this box. Lo and behold! At once, what the one sings and what the other speaks will be brought to millions of cave-wives an dfamilies right in their caves. Lemuel, does this offer appeal to you? You can avail yourself of it for a cost this is trifling."

Lemuel is amazed. The magic box is just what he needs. He looks up at the genie. "Quickly," he says. "Give me that magic box. I need it desperately and I want it."

The genie laughs derisively. "Lemuel Q. Jawbreak," he says, starting to fade into the thin air from whence he came, "modern day advertising offers you this very box. Go take it . . . It is **radio.**"

Corwin Honored

AT THE Radio Writers' Panel of the fourth biennial American Writers Congress held at the Commodore Hotel, New York, in early June, the current CBS Workshop series, *26 by Corwin* was judged the best recent radio writing. The panel, presided over by William E. Dodd Jr., unanimously condemned radio censorship of "progressive" scripts, and discussed a plan to form local committees to stimulate local groups to secure air time for "progressive" education and entertainment.

WBYN Sales Staff

SALES STAFF of WBNY, new Brooklyn station, has been announced by Berne W. Wilkins, sales manager, as follows: Ovelton Maxey, George Winoker, Angelo Palange, Alvin Samuels, Irwin Porter and Oscar Kronenberg. Eleanor Skern, formerly of WMCA, and WNEW, New York, has joined WBYN as Mr. Wilkins' secretary.

Francesca Lenni Hurt

FRANCESCA LENNI, radio actress currently playing the part of Princess Narda in the *Mandrake the Magician* series sponsored on several stations by Purity Bakeries Corp., Chicago, is in Roosevelt Hospital, New York, in a critical condition following a fall June 15 in front of a subway train.

BMI has announced that it has some extra copies of the first volume of its BMI Index, which will be sent to any subscribers writing for them. Only charge will be COD postage.

Actor Joins WHN

SCOTT COLTON, movie stage actor, who played the lead in the last eight pictures he made for Universal and Columbia, has joined WHN, New York, as an announcer and is handling the *One - Two-Three Swing* program nightly 1-3 a.m.

Mr. Colton

Cassidy Promoted

JAMES CASSIDY, a member of the press department of WLW, WSAI and WLWO, Cincinnati, for the last three years, has been appointed special events director of the three stations, replacing Herbert Flaig. Mr. Cassidy, a native Cincinnatian, was graduated from the U of Cincinnati college of liberal arts and had been active in institutional publicity and promotion prior to joining the Crosley publicity department in 1938. He will report to Cecil K. Carmichael, vice-president in charge of broadcasting, whose duties were recently extended to include defense broadcasts and public service programs.

Spence Heads Washingtonians

HARRY R. SPENCE, owner and manager of KXRO, Aberdeen, Wash., and a former NAB director, has been re-elected president of the Washington State Assn. of Broadcasters. Other officers elected at the association's meeting June 7 were: H. E. Studebaker, KUJ, Walla Walla, vice-president; Miss Florence Wallace, KXA, Seattle, secretary; Robert E. Priebe, KRSC, Seattle, treasurer.

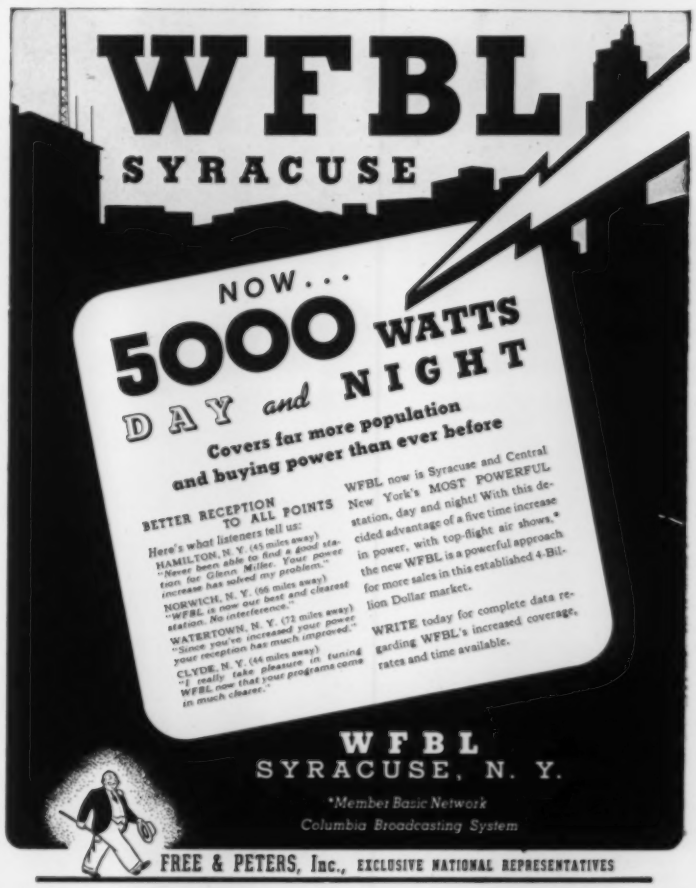
B-M in Brazil

BRISTOL-MYERS Co., New York, has launched a series of nightly newscasts on PRE8, Rio de Janeiro, and PRB9, Sao Paulo, broadcasting a quarter-hour of United Press world news in Portugese, Monday through Friday, in the interests of Ipana Toothpaste and Sal Heptaica. First such series in Brazil, the broadcasts will be directed by UP men who are experienced in the technique of radio news presentation, it was announced. These newscasts extend an already large foreign radio schedule for Bristol-Myers Co., including programs for Mexico, Argentina, Peru, Chile, Colombia, Venezuela, the Dominican Republic, Puerto Rico, Panama, Cuba, Hawaiian Islands and the Philippines. Company's foreign advertising is placed through Boclaro Adv. Agency, New York.

Sub for Bob Hope

PEPSODENT Co., Chicago (toothpaste), on June 24 replaces for 13 weeks the *Bob Hope Show* on 63 NBC Red stations with *A Date With Judy*, Tuesday, 10-10:30 p.m. (EDST). Family serial is written by Aleen Leslie and Jerry Schwartz, the latter having taken a leave of absence for program's duration from CBS Hollywood staff. Bill Lawrence is agency producer. Lord & Thomas, Chicago, has the account.

TEXAS STATE NETWORK of 16 stations has appointed Weed & Co. as national sales representatives, effective immediately.


WFBL
SYRACUSE
NOW...
5000 WATTS
DAY and NIGHT
Covers far more population
and buying power than ever before
BETTER RECEPTION TO ALL POINTS
Here's what listeners tell us:
HAMILTON, N. Y. (45 miles away)
"Never been able to find a good station for Glenn Miller. Your power increase has solved my problem."
NORWICH, N. Y. (66 miles away)
"WFBL is now our best and clearest station. No interference."
WATERTOWN, N. Y. (72 miles away)
"Since you've increased your power your reception has much improved."
CLYDE, N. Y. (44 miles away)
"I really take pleasure in tuning WFBL now that your programs come in much clearer."
WFBL now is Syracuse and Central New York's MOST POWERFUL station, day and night! With this decided advantage of a five time increase in power, with top-flight air shows,* the new WFBL is a powerful approach for more sales in this established 4-Billion Dollar market.
WRITE today for complete data regarding WFBL's increased coverage, rates and time available.
WFBL
SYRACUSE, N. Y.
*Member Basic Network
Columbia Broadcasting System
FREE & PETERS, Inc., EXCLUSIVE NATIONAL REPRESENTATIVES

Running Account of Senate Hearings on White Resolution

WILLIAM S. PALEY, CBS president and founder of the network in 1926 under its existing policy and ownership, occupied the stand at a 4½-hour session Monday morning. He did not complete his testimony that day.

At the outset, he said he wanted to urge Congress to enact a new radio law. He specified four things which he thought paramount in such a law: (1) that networks be licensed by the Commission; (2) that fairness in dealing with controversial questions and with news should be made a condition to having or holding a network or station license; (3) that the powers and duties of the Commission be better defined so the Commission would know exactly what Congress desires it to do and so broadcasters would know precisely what it is empowered to direct; and (4) that there should be a Commission divorced from the common carrier field, with which the regulation of broadcasting is now intertwined. He also urged that there should be clear and specified provisions for proper judicial review which cannot be evaded by "subtle legal technicalities either by the Commission or by any broadcaster".

Reviews Swift Growth Of the Industry

Extolling the swift development of broadcasting during the last 14 years of regulation, which he described as equivalent to 50 years in an older and less dynamic industry, Mr. Paley listed achievements of broadcasting as it developed along the lines most acceptable to the American radio audience.

"Once networks are licensed," he said, "it should cease to be fashionable in Commission circles that they are an illegitimate factor in the industry or that in any sense they are evading their responsibilities or inducing licensees to evade theirs".

Denying that broadcasting is a recalcitrant or defiant industry, Mr. Paley declared the industry is willing to abide by the decision of Congress if it will only make an unprejudiced examination of all the facts and "tell us the answer". The very fact that the FCC now seems to find it necessary to "slip through the back door and strike at us through the licensing power it holds over our affiliated stations is proof that there is something inadequate in the statute itself".

Finds Broadcasting In State of Terror

Moving to his second recommendation, Mr. Paley said he saw no reason why the new law should not embody the requirement that fairness be maintained in discussion of current controversial questions and news. If this policy is not set, he said, he felt that "we will drift into an exercise of vague and undetermined powers by the Commission" as an instrument of oppression and a threat to genuine freedom of the air.

"Government servants," he said, "are sometimes swayed, however unconsciously, by self-interest." Any responsible business would always rather obey a law than obey a man, he asserted.

Describing broadcasting as in a "state of terror", Mr. Paley charged that the Commission, disregarding the ancient prerogative of due process, "has chosen to act as complaining witness, prosecutor, judge, jury and hangman, and we find ourselves at the end of the row stigmatized as a monopolist and most of the important practices of our business sweepingly abolished by administrative fiat."

Emphasizing need for divorcing the Commission administering the law governing broadcasting from the administrative body dealing with common carriers, Mr. Paley said Congress wisely decreed at the beginning that broadcasting was not a common carrier. Passage of the White Resolution, he said, will give the committee and Congress an opportunity to investigate and determine whether in the public interest there should be a separation of these two fields of activity, one calling for close and detailed regulation and the other calling for a large measure of unrestricted freedom.

Describing the present statute as ambiguous and inadequate, Mr. Paley said he thought Congress should make legal rights in broadcasting "crystal clear", with no chicanery or evasion or technical fencing in such an important matter. He said that in advocating network licensing and a new radio law he did not want to create the impression that he was suggesting that the industry be put "into a strait-jacket of hampering and restricting regulation". It is up to Congress first to decide the broad questions of policy, he declared.

Pointing to the absence of public complaint about broadcasting, he said it indicated that radio does not need and never should have the kind of regulation that inevitably will encroach on programming and interfere so materially with business arrangements and private bargainings of broadcasters that the industry will exist only at the mercy of the Commission.

Only One Serious Program Complaint

It is striking, he said, that in the whole history of CBS there has been only one single broadcast which has been severely censured—the Orson Welles broadcast. That, he said, is generally true of broadcasting.

The law should limit the FCC to three things, Mr. Paley suggested. These he enumerated as first, the necessary "traffic job; second, to insure that the medium is used fairly and without editorial bias; third, to review the operations of any network or station and make a broad general decision based upon competent evidence as to whether that network or station is operating in the public interest". Certainly, he said, the law should provide that there can be no "arbitrary or capricious decision in these important regards". No broadcaster should be put off the air for a single slip due to a mistake, he felt, or for an error not involving willful misconduct, or because some subordinate somewhere has misinterpreted or failed to live up to his instructions.

Striking at the monopoly accusations of Chairman Fly, Mr. Paley declared that nature and not man decided that radio facilities should be limited. Technical improvements are steadily increasing the available number of stations, he said, and engineering experts predict that once FM is effectively established, it will be possible to have as many as 14 networks in this country with that type of broadcasting alone. He pointed out that some 150 new stations have been authorized within the continental United States in the past two years in the standard broadcast band.

Objects to Sneers And Accusations

Asserting that the new rules would bring drastic changes in broadcasting, Mr. Paley suggested to the committee that it should know all about them or what they would lead to before they are either rejected or enforced. One of his very strong reasons for hoping that the committee would vote out the resolution and the Senate would pass it, Mr. Paley said, was that he was confident "we need a full and complete inquiry by Congress into the realities of broadcasting".

So far there have been "sneers, speculation, innuendo and accusations, and I realize that it is exceedingly difficult for you gentlemen to grasp all the intricacies of our problems without having had a real opportunity to study them."

After listening to Chairman Fly's testimony, Mr. Paley said he was convinced more than ever before that the Commission "has failed to grasp the essential business and social factors affecting network broadcasting". The repeated "easy-going assurances" of Chairman Fly that he would take care of everything and that everything will be all right, he said, did not jibe with his practical experience. He said he was more uneasy than ever because of the "uncertainty overlying almost every aspect of the subject that Mr. Fly sought to elucidate".

"We find ourselves, after all these weeks," Mr. Paley declared, "at a loss as to how to operate a network successfully under the new rules, either from our own selfish, economic point of view or from the standpoint of the public interest and good programming."

Striking at Chairman Fly's assertion that the rules constituted only a "minor operation", Mr. Paley said that if a surgeon suddenly decided to cut off his leg without even giving an anesthetic, his assurances that he was performing a "minor operation" and that no substantial injury to his person was intended would neither ease his pain nor save him from spending the rest of his life on crutches.

Says Stations Turn to Best Programs Services

Launching a personal attack upon Chairman Fly, Mr. Paley asserted the Commission's report "reeks with charges of domination, control and similar implications of power and abuses of power". He said he was one of the two persons publicly accused by Mr. Fly of controlling 86% of the nighttime power of broadcasting stations in the United States.

FM
with Simplified CIRCUIT DESIGN
GENERAL ELECTRIC
160-17

We have THE VERY IDEA
Custom-built radio productions
One minute or one hour—
live or transcribed
The COVERT Co.
360 N. MICHIGAN AVE., CHICAGO

Calling these charges "senseless and baseless", he said they reflected a "state of mind that is anything but impartial and judicial". He said it is "demagogic to twist the fact that most of the radio stations in America turn to the best program services for their programs into an unjustified accusation."

"Pointing to the voluntarily imposed efforts of the networks and of stations to remain non-editorial and free from bias, Mr. Paley said that broadcasting in the last analysis is controlled by the public and no one else. The kind of danger to which Mr. Fly refers is "simply non-existent", he said.

He accused Mr. Fly of creating "this bogey man" and said that this "network danger" is "wholly a fiction of Mr. Fly's own mind".

After describing to the committee how CBS functions, Mr. Paley pointed out that the network overhead is more than $10,000,000 a year and the sustaining programs alone cost more than $5,000,000 a year. The $10,000,000 figure, he declared, does not include payments to stations.

Disclaiming that networks are basically evil, Mr. Paley slapped back at Chairman Fly's continued observation in his four days of testimony that CBS was "a New York corporation".

When he began to read a memorandum governing European war coverage by CBS issued Sept. 5, 1939 by Edward Klauber, CBS executive vice-president, Senator Wheeler observed that while the networks contend there had been no complaint on commentators, he could assure them that there had been "great complaint" about them on all networks and even on local stations.

He made another plea for fair treatment of commentators and Senator White urged that the statute be expanded to provide for equal opportunity for discussion of controversial issues on radio.

Revenues Spurned From Controversies

Mr. Paley said he wanted the law to become "vocal on that particular point".

The diligence with which CBS evaluates its program service was enumerated by the 40-year-old executive. He said Columbia could have made tremendous revenue on sale of time for discussion of controversial issues, such as the public utility holding company act. An estimate revealed that CBS has lost approximately $9,000,000 in revenue on business that has been rejected.

Disputing the contention that networks dominate their stations, Mr. Paley said that station revenue increases once it is on a network and dwindles otherwise. Answering Senator Wheeler, he said that the reason many national advertisers do not take smaller stations can be ascribed to a number of factors. For example, the advertiser might not have distribution in a particular area.

Regardless of that, Senator Wheeler said, it seemed to him that the network, as a public service corporation, is required to render national service even at the sacrifice of profits, or even if the advertiser is forced to spend more.

Declaring that the trend was in the direction of larger networks, Mr. Paley said that CBS is insisting that advertisers take more and more stations. Moreover, managed and operated stations of CBS are originating programs for outlying areas. He said the move, however, would have to be gradual and that if CBS now required advertisers to take a full network, it would lose much business.

Tells of Earnings And Overhead

Asked by Senator Wheeler about the investment in CBS, Mr. Paley said approximately $14,000,000 constitutes that figure. Last year CBS did a gross business of $40,000,000 and had an overhead of $10,500,000, with a net profit of $3,471,000 after taxes. The profit figure was only 8.79% of the gross. The eight M & O stations had a net profit of $1,500,000, so that the over-all net was approximately $5,000,000.

Senator Wheeler, however, concluded that the $5,000,000 figure represented about 33⅓% of the investment in the network and that he felt a network operation could not be likened to that of a legal practice. Mr. Paley, however, observed that a good portion of the network's profits now is "going to the lawyers".

Attacking the eight FCC rules, Mr. Paley said Mr. Fly's observation that a particular station would have the first call on a particular network's programs is not spelled out in the rules at all, but that this apparently suddenly was thought up by the Chairman.

There ensued a debate on whether broadcasting could be described as a personal service business. Senator Wheeler insisted it was not, since radio functions on a license from the Government and that equal opportunity therefore is not available to all comers to get into the business.

He said he was not complaining about the earning of profits by the networks, but that he thought part of the profits should be used to go into smaller markets. He described this as "intelligent selfishness" on the part of the broadcasting companies.

26 Million a Year To Break Even

Mr. Paley declared that if the networks haven't done well enough in the past in this regard, it is going to be more difficult under the rules when network broadcasting is "broken down into bits and pieces".

To indicate the slim margin between profit and loss, Mr. Paley said CBS accountants had concluded that the network must have an income of $26,000,000 a year before it can break even. This includes lines, sustaining programs and other established expenses.

Asserting that no network uses all of the licensed time of a station, Mr. Paley said the CBS contract provides that no more than 50 "converted hours per week shall be used, although it options all of the hours of its affiliates". He explained that two daytime hours equal one converted hour, or the equivalent of one nighttime hour. At present, he said, CBS uses only about 39% of the station's time.

Replying to Senator Gurney, he said the average station operates 126 hours per week and that a little more than half of the average station's time now is used by CBS.

Disclaiming again Chairman Fly's charges of domination of affiliates, Mr. Paley said there is no way to compel an affiliated station to take a program and the station cannot compel the network to deliver it. He called it "a two-way street". The station is more interested in an exclusive network affiliation and in long-term contracts than the network, Mr. Paley asserted.

The station knows that the network is always on the alert for better facilities and therefore will not make a substantial investment in new facilities unless assured of a long-term network affiliation.

In the last 10 years station receipts from CBS have more than doubled and now amount to 45.85% of the station's rate, Mr. Paley declared.

The *Chicago Tribune*, according to Mr. Paley, makes as much profit as several other small newspapers. He challenged the FCC figures on station earnings, pointing out that

Nazi Ads Banned

WHOM, Jersey City, through Joseph Lang, station manager, on June 16 notified the Hamburg-Bremen Steamship Agency, North German Lloyd, Steneck Travel Bureau and Public Service Travel that their radio programs would no longer be accepted by the station in view of the announcement by Under-Secretary of State Sumner Wells that the U. S. Government had frozen German and Italian funds in this country. All four companies advertised services that handled the transfer of money and food packages to relatives in Europe.

Central New England

1 — MARKET

— APPROPRIATION

— STATION

You have few markets with the importance of Central New England so easy to budget. Radio listening habits set apart this compact, highly paid*, central industrial area of New England. For advertisers who know, WTAG is the one and only radio station which pulls the purchase strings of all Central New England with one appropriation. Drug and food advertisers who use WTAG prove this fact week after week.

*Thousands of workers in Worcester's 400 industries alone, now average $34.95 per week.

WTAG
WORCESTER

NBC BASIC RED AND YANKEE NETWORKS
EDWARD PETRY & CO., INC.—NATIONAL REPRESENTATIVE
OWNED AND OPERATED BY THE WORCESTER TELEGRAM-GAZETTE

various bookkeeping methods are used and that figures are not comparable.

Exclusivity Rule Draws Reproof

Declaring that the best business logically goes to the big markets, Mr. Paley said he felt the FCC had failed to grasp the fundamentals on how broadcasting works and how the overhead is paid.

Asked by Senator Wheeler whether the initial investment in CBS was only a half-million, Mr. Paley said his recollection was that the initial capital amounted to 1½ million.

Under the new rules, the committee was told, CBS stood to lose volume and this would mean curtailment of service.

Striking first at the exclusivity rule, Mr. Paley said that since hearing Chairman Fly's testimony he was "more alarmed than ever". Charging that Chairman Fly did not know the meaning of the rule, he said that regardless of its guise it means "censorship".

He referred particularly to Commissioner Craven's testimony that the Commission spent only 18 hours in consideration of the final rules. Moreover, he alluded to the "startling disclosures" in the original report that the Commission did not know what effect the exclusivity rule would have on the industry.

The only interpretation that could have been given this particular rule, Mr. Paley insisted, was that it meant non-exclusive network affiliation and that it was not susceptible of the interpretation given it by Chairman Fly as meaning that a network could still enter a regular arrangement with an affiliate.

Asheville's average citizen buys 112% MORE General Merchandise than the average American.

- - And WWNC's Promotion makes getting more sales even easier! Try it!

WWNC
570 Kc. CBS Affiliate
ASHEVILLE, N.C.

THEY WERE IN THE NAVY THEN

One of a Series

UP FROM THE RANKS of ship wireless operators, World War I vintage, came these present-day radio executives, one of whom is now back in active duty. For identifications and brief sketches of their naval careers, see page 42.

Would Get 'Chunks' Of Network Service

When Mr. Paley declared that Washington attorneys had advised their stations not to enter into contracts with networks because of the exclusivity rule, Chairman Wheeler said he could not believe the Commission has "gone entirely crazy" and that Congress and the Senate would not have permitted a complete collapse to develop.

Nevertheless, Mr. Paley said, the rules absolutely forbid any contract which says that the network shall do business with a particular station exclusively. That's the reason for the hearing, he declared.

The rule, Mr. Paley declared, forbids exclusivity in all cities, irrespective of whether there are a sufficient number of outlets to accommodate all existing networks. It would mean that stations would get small chunks of network service instead of full service as at present, he said.

Senator Wheeler observed that there "ought to be some exception in cities that have sufficient outlets". Non-exclusivity, he said, might well be applied to cities having only a minimum of outlets.

Stiff Competition Among Four Networks

The fact that competition exists in this country among four national networks was viewed as extraordinary by Mr. Paley, who said that no other country in the world could achieve that, even if commercial broadcasting were permitted. There are only four national magazines having circulation of 2½ million or more, he pointed out, despite free competition and lack of Government regulation.

Changing his tack as the weight of testimony appeared to shift, Senator Wheeler said he felt it was wrong for the Commission to authorize more stations than a particular community can support. This tends to lower the standards of all stations, he said. He likewise agreed there should not be an unlimited number of networks, since this would place all of them in a "precarious position".

If there were but two stations in a city and four networks providing service, Mr. Paley cited, the stations would get only half as much revenue from each network, and the chains would suffer, as would public service and programs.

High tribute to Mr. Paley was paid by Chairman Wheeler in recalling that CBS was once a "small, struggling network" and got ahead by taking stations away from NBC before there were "restrictive contracts." Mr. Paley said that CBS didn't come to the Government to complain, but waited for the "five-year contracts to expire".

Disagreeing with Chairman Wheeler on the theory that NBC did not have exclusive contracts until CBS become seriously competitive, Mr. Paley said many stations have asked for long-term contracts and are just as eager to get them as the networks are to give them. MBS, he said, "does not have to wait five years to get our stations", since affiliation contracts are staggered and expire all the time.

Network Provides Own Sustaining Service

Asserting that CBS went into "serious competition" with NBC back in 1927, Mr. Paley declared it did not rely upon affiliated stations for sustaining service but provided its own. Programs, rather than physical facilities attract the audience, he declared. The same opportunity is still open to MBS, Mr. Paley told the committee. "Give the public the programs and they will listen," he admonished, adding that MBS can find the talent and the brain power to build "if it really wants to do it".

Calling MBS the child of R. H. Macy & Co., America's largest and richest department store and the *Chicago Tribune*", Mr. Paley said he thought they should take the "same kind of risk as we". Instead of going to the FCC to "cash in on the risk of others", he declared he thought the FCC should not "make it soft" for them. He said the rules showed "an amazing tenderness" for MBS.

Chairman Wheeler disputed the contention that MBS instigated the rules, declaring that "a combination of the chains and the Administration" headed off an investigation by Congress and got the FCC to undertake the inquiry.

Under the rules, MBS or other new networks not having "a sustaining service" could offer to pay outlets more money for their time, or do the reverse, and charge the advertisers less. He challenged Mr. Fly's contention of "first call" on station time, declaring this would mean that CBS, for example, could not avail itself of time on other stations in the same market, or that the chain would have to remain faithful to the affiliate, but not the affiliate to the major network. He called it a "happy idea for MBS but an astonishing one for business".

Branding Mr. Fly's statement as "one-sided" and one that "just happened to evolve" while the chairman was on the stand, Mr. Paley predicted that advertisers would be in a position to build "super networks" and pick and choose their affiliates. There is no better argument for the White resolution than this "fantastic arrangement" that the FCC feels it somewhere has the power to compel, he declared. Inevitably, under the rules, said Mr. Paley, the best programs will gravitate to the big stations.

Recalls Secrecy of Chairman Fly

Making a plea for Congress to intercede, Mr. Paley said that anything as drastic as the new rules should be inquired into by the legislature. Asked by Chairman Fly why CBS had not offered suggestions to the FCC on the regulations, Mr. Paley said that in a conversation with Chairman Fly prior to the issuance of the regulations he asked about their effect, and the Chairman responsed, "wouldn't I be a fool to tell you what I have in mind?"

Contending that the rules "will destroy" the established networks, Mr. Paley said the FCC did not think about the practical rules and that no expert testimony of radio advertisers or others had been considered. He pointed to the similar-

ity of the testimony of Mr. Fly and of Fred Weber, MBS general manager.

He said he knew of advertisers and agencies now considering the creation of their own tailor-made networks, by virtue of the exclusivity ban, and he predicted that if exclusive contracts are knocked out "you'll put a dollar sign on commercial broadcasting in a way you never dreamed of". The result will be the "starving of many smaller stations", he declared.

Blasting the MBS "world's series case as "one of the most misrepresented topics", Mr. Paley said it was part of Chairman Fly's efforts to "discredit us". NBC and CBS, he said, had urged that the world's series be made available to all on a sustaining basis as the national sport. He said he was "shocked when MBS showed up with the commercial contract".

Mr. Weber, the CBS president charged, was "equally lacking in frankness in concealing the fact that MBS was trying to force stations to broadcast the series for nothing". He said CBS offered to carry the series with "courtesy announcements" but that MBS insisted on the full commercials. CBS could have made "just as good a bid as MBS", he said, but didn't see fit to do it.

Objects to Barring Of Time Options

Attacking the rule requiring networks to supply service to alternate stations in the same market, Mr. Paley said it means in effect that a station would be supplying service to a competitor when it refused its regular network's offering. If a newspaper is contracted for a particular feature, he said, it is not compelled to let a competitor have it when the feature is not published in the regular outlet.

Striking at Rule 4 forbidding time options, Mr. Paley branded it a "masterpiece of disruption". The FCC, he charged, did not know or care what happened to radio, and he cited it as a rule that "torpedoes the whole structure". It would render the whole operation haphazard, except on a "patch-work basis", he declared.

"Only by having an option to clear national programs can there be network broadcasting as it is today," Mr. Paley said. If option time is eliminated, network service will be blocked, since there must be a "right of way on programs". Under the rule, a network would never know in advance what it has to offer. Time would be "chiseled" away from networks, he said.

When Senator Wheeler observed that CBS had gotten along pretty well in meeting NBC's competition, Mr. Paley declared this competition has been "stimulating". He added that he could say "we're not the underdog any longer".

Even with the rules, and the snarling up of traffic and discommoding of operations, there would be "no more network broadcasting than there is today", Mr. Paley cited.

Tells of Costly Latin American Service

CBS plans to spend about $500,000 a year on Latin-American operations as its contribution to the "good neighbor policy", and any revenues accrued will be devoted to improvements in shortwave and program service, Mr. Paley told the committee. In addition CBS has budgeted $800,000 for television in New York alone, and has expanded its news budget nearly half-a-million a year. Then he asked how "any responsible business organization can continue to make expenditures of this sort under present conditions?"

It would be "financial suicide" for CBS to commit itself firmly for station time for a given program when advertisers buy usually for 13 weeks with renewal options and with cancellation clauses, he said. On a cancellation for a given program, CBS would have to "resell instantly" to safeguard itself, and

ASCAP Criticizes Dr. Fosdick Letters To President on Monopoly Regulations

CAUTIONING against influences exercised by "selfish interests", and declaring the NBC and CBS ban on ASCAP music amounts to a "cultural boycott" that "smacks dangerously of fascism", recent letters to Dr. Harry Emerson Fosdick, minister of New York's Riverside Church, from Robert L. Murray, ASCAP official, and Irving Caesar, president of Song Writers' Protective Assn., expressed hope that he would "reconsider" his conclusion that the FCC's monopoly regulations may curtail religious broadcasting.

Prompted by publication of a May 28 letter to President Roosevelt, signed by Dr. Fosdick and other members of a group of 62 Christian ministers, Mr. Murray on June 12 and Mr. Caesar on June 17 voiced chagrin at the conclusions set forth in the letter, "which is replete with inaccuracies and false conclusions" [BROADCASTING, June 16].

'Supporting a Boycott'

"You and the other ministers whose names were signed to this letter have been placed in the position of supporting a monopolistic boycott of America's greatest music—popular, patriotic, religious and standard—which has been arbitrarily banned from the airwaves controlled by the major networks since Jan. 1", Mr. Murray declared.

"I can only assume it was written by someone connected with NBC. Knowing you as a friend and fellow worker devoted to Christian ideals, I want to give you some true facts so that you may take steps to undo any harm such an ill-advised letter may have done.

"Since Jan. 1, ASCAP has granted hundreds of free licenses for the broadcasting of religious songs copyrighted by members of the Society. Churches and educational institutions or groups have never been refused such licenses by ASCAP. But even though free licenses have been granted, NBC has repeatedly refused to broadcast any ASCAP musical number, thus causing cancellation or curtailment of many religious and patriotic broadcasts.

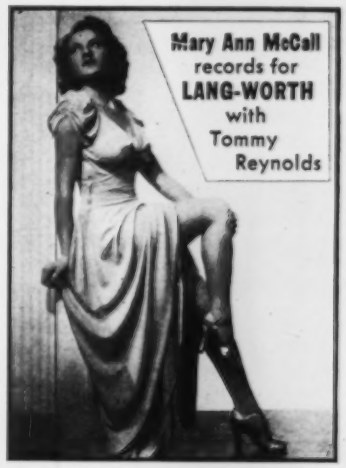
"Since Jan. 1, NBC and CBS have boycotted more than a million of America's finest musical numbers and has sought to destroy ASCAP (a voluntary, non-profit association) by setting up a music publishing house of its own, based on a library consisting extensively of Italian, German and South American music.

"Your letter states that the action of the FCC seems 'hasty, drastic and ill-considered'. Don't you know that the FCC report followed three years of investigation and that actually there was some impatience over the delay? Don't you know that the FCC acted in behalf of the people of the United tSates and their properly elected representatives in Congress? Don't you know that everybody connected with radio knew months ago about the portions of the FCC report to which they (the major networks) most strongly object? Don't you know that NBC has been trying to sell the Blue Network for months? Don't you know that NBC and CBS have already acted to comply with much of the FCC regulations by selling their concert bureaus? Don't you know that the culture of any nation is measured by what it creates and not by what it disseminates, and that a boycott against creation is a deterrent to cultural advancement?

"The statement in your letter that religious broadcasting would be thrown into confusion by the new FCC regulations is just not true. Unfortunately, your letter is an instrument whereby religion is being used to throw confusion into a simple democratic process. The radio networks (NBC and CBS) have dealt a severe blow to American musical culture by boycotting the best American music written during the past 50 years. Such actions smack dangerously of fascism and are not in the interests of American culture, education, democracy and Christian advancement".

In his letter last Tuesday Mr. Caesar declared:

"I am deeply chagrined at what I would rather feel was your hastily affixed signature to a letter addressed to President Roosevelt. Knowing you to be a man of deep public conscience and consistently and almost eminently on the side of righteousness, I must plead with you to reconsider some of your conclusions".



First for three years straight!

KHJ has lead all Los Angeles network stations in sales by better than two to one for 3 straight years.

MUTUAL DON LEE
KHJ
LOS ANGELES, CALIF.

(U.P.)
THE MARK
OF ACCURACY, SPEED
AND INDEPENDENCE IN
WORLD WIDE NEWS
COVERAGE
UNITED PRESS

KDYL
Showmanship THAT WINS *Intermountain Audiences*
The POPULAR *Station*
Salt Lake City
National Representative
JOHN BLAIR & CO
NBC RED NETWORK

that might be impossible because the station might resell to someone else under the option time ban.

When Senator Wheeler asked whether CBS would need exclusivity if it had option time, Mr. Paley said both were essential. At this point the Chairman said he was "not convinced on the need for exclusivity, but I do think that there is some reason to have some option time."

The Chairman likewise promptly agreed that chains should be licensed, concurring in the view of Mr. Paley. But he reiterated that he had not been convinced on exclusive contracts. Mr. Paley said that without exclusivity, it is "perfectly possible for anyone to become a network and gum up the works" and "chisel away" our time.

Getting Inquiry Without Resolution

After all, said Senator Wheeler, injecting the national emergency into the hearing, "these are abstract things. If the national debt goes up as it is doing, business won't be worth anything and you'll be looking for a farm". Mr. Paley asked how things were "up in Montana", and the Chairman said his State "probably will be the safest place".

Chairman Wheeler did not agree that incentive would be lost if exclusivity is eliminated. "When you came into a field without anything and licked NBC, you are going to have the same service and the same incentive," he told Mr. Paley.

The high spot of the hearings developed when Chairman Wheeler said he though the situation could be worked out "in fairness to the chains". He said he felt "something could be worked out on option time". When Mr. Paley suggested that the passage of the White Resolution would pave the way, the Chairman said the reason for passage of the resolution would be to procure an "investigation" of the rules.

"You're getting that investigation now without a resolution," said the Montanan. He added that the "cold-blooded fact of the matter is that you wouldn't get as good a hearing under the resolution. I frankly think we ought to pass a whole new law and you'll probably get it. I think that the industry ought to know what the regulations are instead of depending upon the whim of the Commission. * * * I think a law ought to be introduced and I believe it will be and you will have a hearing on it."

Meantime, Senator Wheeler suggested the networks can go into court to test the FCC's power, particularly since Chairman Fly "indicated that the rules will be held up or stayed" until the litigation is over.

What's the Hurry? Mr. Paley Asks

Picking up the theme, Mr. Paley said he saw no reason for "the hurry" by the FCC. If a new law is to be written, and a well-rounded statute developed, he saw no reason to "live under these rules for a year" when serious damage might be done the service to the public

Chairman Wheeler reiterated he felt the service rendered by networks is good, and he candidly believed that for a new industry, radio has been less subject to criticism than any other.

"Then what's the rush," asked Mr. Paley.

"You'll have to address that to the Commission," replied the chairman.

"That's what we did. All we got were the eight rules," Mr. Paley responded. "That's why we came here. Why not give us a pause so that these things cannot happen. * * * I don't think that's asking too much."

The cross-fire closed when Chairman Wheeler said he thought the Fly promise to stay the effective date of the regulations was "fair."

Chairman Wheeler then read into the record the letter from Chairman Fly citing the FCC's willingness to grant stays to stations in connection with the "anti-monopoly rules". (See page 20.) This session was recessed until Tuesday.

Willing to Eliminate Cancellation Clause

To start the Tuesday morning session, Senator Wheeler reviewed with Mr. Paley several high-spots of the CBS president's testimony of the preceding day. Recalling that Mr. Paley had suggested that such cities as New York, Chicago and Los Angeles be eliminated from the exclusivity requirement, since there are an adequate number of outlets to accommodate all networks, Senator Wheeler asked if there in effect would be no change, since CBS already owned outlets in those cities.

Mr. Paley brought out that there were many other cities aside from these in which networks find it most desirable to own outlets, and he pointed out that in his judgment exclusive contracts should be permitted generally in the interest of sound broadcasting.

Pursuing the exclusive contract arrangement, Senator Wheeler recalled that the CBS standard contract is for five years but carries a one-year cancellation notice at the option of the network but not of the station. Mr. Paley, however, said that in 50% of the cases, CBS gives the right to the station to cancel on a one-year notice.

Wheeler Critical Of Soap Operas

He said he would be very glad to eliminate the cancellation clause in favor of the station if Chairman Wheeler suggested, and that he did not regard it as very important.

Reopening the matter of time options, under which CBS options 50 "converted hours" of its affiliates' time, Senator Wheeler said he felt this was unfair to local advertisers, who were forced to clear on 28 days' notice.

He said the network, in effect tied up all of the stations' time and did not permit any continuity of local programs, to the detriment of local advertisers. If it is important for the national advertiser to have continuity of performance, it is just as important to the local advertiser, he declared.

Senator Wheeler said he had tuned in network programs while driving to the Capitol Tuesday morning and had heard "dime novel" stories and "soap dramas" on every station. Cleanliness may be next to godliness, he observed, but he said he did not regard these "soap dramas" as either cleanly or godly.

Asserting he was not a purist, Senator Wheeler nevertheless felt programs of that character coming into the home were not desirable. He said he wanted to appeal to the radio industry to "cut out this gangster and dime novel stuff, since it tends to break down the morals and make criminals of boys and girls in this country".

When Mr. Paley observed that CBS has a psychologist on its staff for that very purpose and that a multitude of listeners demand these serials, Senator Wheeler commented that if "both you and the Communications Commission got rid of psychologists and got mothers with six children to supervise these programs, you'd be better off".

Resuming his regular testimony Mr. Paley attacked FCC Rule banning affiliate-network contracts for more than one year at a time as not practical for either network or station and as a "glaring example of the length to which the Commission has gone to upset existing arrangements and practices for the sake of upsetting them, although its announced purpose is to protect the stations".

When Senator Wheeler inquired what term of license he thought desirable, Mr. Paley said he felt that a five-year period should be the minimum. He said impracticability of the rule from the network standpoint is reflected in the fact that studios, engineering installations, office space, news departments, outstanding features artists and personnel must be contracted for more than one year. No responsible business management can enter into such normally necessary business arrangements, knowing that it can continue to do business only on a transient basis, he said.

Long-Term License Draws Colloquy

Since CBS has been in business contracts of only seven stations once affiliated with CBS were either cancelled by the network or were terminated by CBS' failure to renew an option, he said. As against this and despite the absence of any option on the part of the station, CBS voluntarily has consented to 11 stations terminating their contracts before expiration.

Chairman Wheeler attacked the CBS "factual analysis" of the FCC rules, contending that it was not factual since it did not set forth

LA MAR IS NAMED WGN FARM EDITOR

CREATION of a *Farm Hour* and appointment of a farm editor have been announced by Frank P. Schrieber, manager of WGN, Chicago, as the first step in the expansion of the station's farm service facilities.

Mr. La Mar

Lewis La Mar, since 1936 special events announcer of the station, and in radio since 1924, has been named head of the new division. He is 41 and served as a wireless operator on several vessels during World War I.

For the *Farm Hour*, which started June 17, from 6-7 a.m. (CDST), daily except Sunday, Mr. La Mar has enlisted the cooperation of farm bureaus and organizations, special information from the U. S. Dept. of Agriculture, granges, news services, and the agricultural colleges of Illinois, Wisconsin, Iowa, and Indiana universities.

A survey of the wants of farm listeners of Midwest was instrumental in determining the composition of the broadcast. News, weather reports, music, crop and market reports, and information on new developments in farming and production will comprise the show.

We Capture Any Way You Look At It! Baltimore's Market!

Complete coverage! No waste coverage! Consistent coverage! Profitable coverage! The most listeners for your advertising dollar! Proof is plentiful . . . write for it!

★

Mutual Affiliate
Beginning October 1
NBC BLUE

WHBF
AFFILIATE OF ROCK ISLAND, ILLINOIS ARGUS

Basic Mutual Network Outlet
FULL TIME 1270 K C
THE 5000 WATT
Voice of the Tri-Cities
ROCK ISLAND • DAVENPORT • MOLINE

the rules themselves, but only the CBS version of them.

Chairman Wheeler disagreed with Mr. Paley on five-year contracts, arguing that it was not necessary to "tie up stations" for that period. He said he could understand why the networks would like to have them for even longer periods, but that the Government "won't let you".

Pointing out there was a "reasonable expectancy" of renewal "if we do our job right", Mr. Paley said the industry certainly was entitled to a degree of permanence and that the long-term contract constituted protection against encroachment upon network affiliates.

When Senator Wheeler commented that it is for the FCC to decide what term of license is reasonable, Senator Gurney interposed that he felt it was the duty of Congress and not the FCC. Radio, said the former South Dakota broadcaster, is a "legitimate industry" and is entitled to an expression from Congress on this score.

Cracking the FCC again, Mr. Paley said the rules seem to be aimed at giving MBS or other networks greater opportunity to deal for stations. MBS always had that opportunity, he asserted, but has never been willing to provide the necessary service. He pointed out, however, that "monetary aspects are awfully important" and inferred that if the rules are invoked, a serious upheaval would result.

Says Network Has Improved Stations

On network ownership of stations, Mr. Paley said the question is whether CBS should arbitrarily and without any hearing be stripped of interests lawfully acquired. If the FCC can find a single one of the seven stations owned by Columbia which in the testimony of its own community is not a better station today than it was before CBS owned it, "I will agree here and now to give that station up without an argument" he said.

Interrupted by Senator Wheeler, who inquired how many stations he thought the network should own, Mr. Paley said there are many cities in which CBS advantageously could own stations and render a better program service, but that any attempt made to acquire stations "has been frustrated by the FCC".

Most of the CBS owned and operated stations, Mr. Paley said, serve as originating points for national programs or have especially appropriate regional programs, serving affiliates in various sections of the country. CBS now is investigating an increase in service so that WCCO, Minneapolis, can render to several western states such separate programming and perhaps add a few more outlets in those cities. The economics do not seem "very plausible at the moment while we are beset with such doubts and uncertainties about our own future", he said.

The rule which questions ownership of stations by networks is based on the argument that stations so owned will favor the network to which they belong and thus make their facilities unavailable to other networks, he said. If there is any validity to this restriction, he declared, "then I do not see how a network organized on a mutual plan is to be allowed to operate at all. If the network is owned by the stations affiliated with it, won't these stations favor their own network, and is this not in the Commission's view an evil?"

He pointed out that MBS now has seven stockholders and that it is about to add four more. Thus, he said, the Commission's argument "that it should disturb our ownership and leave Mutual's unmolested seems pretty lame".

Sees Threat in Economic Control

Here again Mr. Paley charged the Commission "strains and strives to injure Columbia and NBC and help Mutual". He said its argument that there is evil in affiliates leaning toward a network is "one of the most destructive it has ever advanced" but the Commission nevertheless insists that it is all right for MBS "to be owned by 14 stations and all wrong for us to own 7".

Rule No. 8, under which the Commission, according to Mr. Paley, proposes "to meddle with advertising rates" was branded "a threat as dangerous to the individual radio stations as it is to the networks". Under it, the Commission will refuse a license to any station that agrees with a network as to the rates it will charge, he interpreted. If the FCC can do this, he warned, there is no apparent limit to the extent to which it can control the whole financial structure of radio. "Once let it control the economics of the industry, and its power over broadcasting will know no bounds."

Emphasizing again that broadcasting is not a common carrier and that the public is no more concerned with its advertising rates than with the rates of magazines and newspapers, Mr. Paley said it is competition among the advertising media that keeps rates reasonable and fair to the advertiser. The broadcaster collects nothing from the public, he declared.

If the Commission can exert the kind of powers it proposes and regulate the whole business of broadcasting to the point of imposing conditions under which it threatens to jerk stations' licenses, "nobody in the broadcasting industry is going to have the faintest conception of what its ultimate powers may be and nobody is going to be able to call his soul his own". He said the whole industry is harassed, worried and jittery and finds itself "threatened and condemned as if its history were shabby and evil".

Regulation by Raised Eyebrows

If Chairman Fly can assert these "revolutionary powers over the business practices of the networks and stations", he continued "his control will be so absolute that we will have in this field regulation by raised eyebrows, in which a nod will put one program on the air and frown will keep another off."

Answering the argument that the industry can go to the courts, Mr. Paley said that the industry will suffer "irreparable damage in the years while this legal fight was in progress" and the public would suffer at the very time when broadcasting should, more than ever before, be a powerful instrument for the public good".

"If we win, it may well be too late. If we lost on the technical issue of the Commission's power, the important issue of public policy still is this: "Did the Congress intend and does the Congress now want a radical revision of the whole broadcasting structure by administrative fiat'?"

The entire industry is united except "one small segment", which Mr. Paley said seeks to "sell commercial programs to affiliates of other networks". He asked the committee "to call off the wrecking operation and write a new law".

White Offers to Write A Law Quickly

When Chairman Wheeler observed that it would take considerable time for that, Senator White said he thought he could produce a draft of a new law in 24 hours, get it out of the committee in 48 hours, and have it through the Senate in 10 days. Chairman Wheeler doubted this.

Reviving his plea that the committee hold up the effective date of the regulations until Congress can reach an orderly conclusion, Mr. Paley said in that way "punitive action" could be averted and "a complete freedom of the air result without threats".

Even if it takes six months to write the new law, no one would be damaged in the interim, he insisted. Senator Wheeler, however, said the Commission had consumed three years in handling the investigation and he did not put much stock in the story that the regulations had been promulgated in "18 hours".

When Mr. Paley challenged the

CBC in War Ministry

CANADIAN Broadcasting Corp. is now part of the Department of War Services, having been transferred from the Department of Transport, according to an Ottawa announcement. Along with the CBC the National Film Board, the Government Motion Picture Bureau and the Travel Bureau leave the Ministeries of Transport and Trade and Commerce to join the Department of War Services under Joseph Thorson, appointed minister of the department June 11. The CBC since its inception in 1936 has been part of the Department of Transport, the Radio Branch of which will continue to license stations.

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Commission's right to regulate any business aspects of broadcasting, Chairman Wheeler insisted they do have such a right and "when a new law is written, they still will have the right".

Judge Burns Points To Court Difficulty

To conclude the CBS case, former Judge John J. Burns, CBS chief counsel during the monopoly hearings and now a member of its board, took the stand.

While he observed that he did not think the primary issue before the committee was that of jurisdiction, he said suggestions repeatedly had been made that the industry should go to court and have the Commission's rules set aside if it exceeded its authority.

He pointed out that the Supreme Court recently emphasized how limited the judicial review of administrative agencies was in the courts and suggested that Congress is the important agency to correct administrative structures. During the last decade, Judge Burns said, there has been a steady development in our system to revise the administrative procedures.

If the Commission has acted without jurisdiction and if it is at the end of the road and the industry should win in the Supreme Court, broadcasting nevertheless would be so circumscribed that great damage will have been done. In any event, he said, the industry would have to come back to Congress.

It is a plain fact, Judge Burns said, that the 14-year-old Communications Act needs clarification and should be "streamlined and brought up to date".

Favors Independent Review of Facts

When Senator Bone asked about the effect of the regulations on stations, Judge Burns recalled Chairman Fly had given the committee assurances that during court proceedings the licensee would not be prejudiced and that no punitive action would be taken. He said, nevertheless, that this was hardly a concession.

Judge Burns quoted from writings of Louis G. Caldwell, chief counsel for MBS, in which he criticized the Commission's power as being so broad that it could "write its own ticket" and in which he advocated that a new law should be enacted spelling out clearly the rights on appeal.

He pointed out that the FCC so dislikes litigation that in almost all appellate actions it immediately files motions to dismiss in order to avoid going into the merits of cases. At best, he said, under the existing law, the courts can only ferret out errors of law and remand the cases. He advocated an independent review of the facts.

Senator Wheeler commented that the difficulty with administrations generally has not been the law, but the personnel. The real complaint against the National Labor Relations Board and against other independent agencies has been on personnel over which Congress has no control, he said.

Recalling Chairman Wheeler had observed that for the committee to pass the White Resolution might be a "dangerous precedent" in that any dissatisfied litigants before independent commissions would bring their cases to Congress, Judge Burns said he felt this was not so in the case of radio.

He pointed out that for 14 years the FCC and its predecessor Radio Commission did not try to exercise the absolute powers reflected in the new regulations. The 1927 statute was reenacted in 1934 so that if there had been any failing on the part of the Commission, Congress would not have enacted the law without substantial change, he said.

Judge Burns said that Commissioner Craven, "one of the most accomplished" members of the Commission, challenged the agency's power to issue the regulations. Moreover, he pointed out that Senator White, who assisted in the drafting of the legislation, repeatedly held that the FCC had never been given the authority.

Monopoly Control By Federal Agencies

Following a colloquy with Chairman Wheeler on the intent of Congress insofar as FCC jurisdiction over monopoly was concerned, he declared Congress had decided on judicial, rather than administrative control. He pointed out the anti-trust laws would apply anyway, since broadcasting is in interstate commerce.

When the SEC finds a monopolistic situation, Judge Burns insisted, its function is not to penalize the licensee but to bring it to the attention of the Department of Justice, which is empowered to take action under the anti-trust laws.

Following a bit of by-play indulged in by Senator White on the question of FCC jurisdiction if one of Chairman Wheeler's constituent stations had been involved, the Montana Senator noted for the record that he had never come before the FCC to advocate anything for or against any station in his State. He said he had commented on matters of policy in the Senate and in committee, but that he thought it was improper for members of Congress to bring "pressure to bear" on any Government agency.

Senator Bone, himself an ardent critic of monopoly, said he wondered whether Congress did not have to change its notion about monopoly, since it is now "enshrined in American law". Monopolies are recognized in certain fields such as power utilities and railroads, he pointed out. Agreeing, Judge Burns commented that it may be that the policy should be changed with respect to broadcasting, now a private industry, but that it "ought not to be changed by Mr. Fly".

CBS Counsel at Probe

JOHN J. BURNS

Calls Monopoly Report A 'Crafty' Job

When Senator Wheeler admonished that he meant the Commission majority, the CBS counsel said he wanted to "emphasize Mr. Fly". He said it was a strange paradox that new legislation now appears to be necessary to save the networks but none is needed to destroy them.

Judge Burns quoted at length from the FCC brief in the Sanders case, in which the Commission said it was not authorized to regulate the business practices or rates of broadcast services and, in effect, that it was limited to physical aspects.

Assailing Chairman Fly's contentions of due process in the hearings, Judge Burns said he may have painted a convincing picture, but that it was "a false one". The trouble was that the Commission did not pay any attention to the evidence adduced at the lengthy hearings. Instead of following the testimony, Judge Burns charged, the Commission went ahead on "preconceived prejudices" and that the final report was produced by "smart gentlemen" and was a "slicker and more crafty and more workmanlike job, but it still doesn't deal with the evidence".

The parties in interest, he said, never knew that the Commission had designs on contracts and that the "two touch-stones of the radio network business" would be ruled out.

Many of the statements in the report are "utterly without support in the record", Judge Burns argued. He discounted the "glib assurances" of Chairman Fly that everything would be all right, pointing out that the most important revelation was the testimony of Comdr. Craven, which struck at the "guts of the problem". He referred to the commissioner's statement that in the preliminary draft of the report was language showing the majority did not know what the effect of the regulations would be and that the competitive effect could not be determined until after actual operating experience. The absence of this language from the final report, Judge Burns said, was significant.

The only signatory of the report who sat during the hearings was Commissioner Walker, Judge Burns declared. Even Commissioner Wakefield voted with the majority—though he was appointed shortly before the final report was issued.

Procedural Flaws Are Pointed Out

Striking at the lack of protection in the appellate provisions of the existing statute, Judge Burns said that Congress should write specific new law to provide greater protection. He again referred to previous writings of Mr. Caldwell, who urged legislative changes in the "procedural defects of the statute".

Because of the nature of the rules, Judge Burns said he found it a difficult problem to advise CBS how to proceed legally. He added that even after the regulations were adopted, the FCC changed the requirements of appeal, permitting "any person" rather than "any applicant" to petition for rehearing or reconsideration. He said this indicated that the law department has been "working overtime" to keep us out of court, since presumably, under the revised provisions, a network will not have

"WFDF Flint Michigan said we should turn in our used cars. It's OK with me—you can use this one, if you insist."

Dominant
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MINNEAPOLIS • SAINT PAUL
NIGHTTIME SIGNAL FROM MINNEAPOLIS TO THE WEST EQUIVALENT TO
133,500 WATTS
NBC BASIC RED NETWORK
50,000 Watts
Clear Channel

exhausted its legal remedy if it now goes to court.

Because of all this confusion, Judge Burns said, the question arises on litigation procedure, and to which court they should go, on what terms and how. The action should define a clear, precise method on litigation in simple language. If that were done, he observed, perhaps Mr. Paley "wouldn't need to hire a lawyer".

After a luncheon adjournment, Senator Wheeler briefly recalled Mr. Paley to the stand to reopen his dissertation on "soap dramas". He asked which advertising agency it was that placed all of these programs. He alluded to the Chicago company called "Black Star or something", and Mr. Paley responded, Blackett - Sample - Hummert Inc.

When Senator Wheeler said his information was that "this outfit writes the script, hires the actors and otherwise handles the programs", Mr. Paley said that the agency was a very important one and placed a substantial amount of business, but that it did not place all of the daytime strip shows. He said some of these programs were written by "very good writers". He pointed out that every one of the strip programs has from 8 million to 12 million listeners, indicating a public demand.

Independent Inquiry And New Law Urged

After Chairman Wheeler again had berated these programs as bad radio, Mr. Paley said it would be a dangerous situation if any man or group of men could specify the type of programs that should be broadcast. Radio likes to operate on what he called "the Democratic process" with the audience expressing its likes and dislikes, he said. He declared he was not defending all of the practices in radio, but felt there had been tremendous progress during the last five years and that the next half-decade would bring other worthwhile developments.

Resuming his testimony, Judge Burns said that under the existing statute the industry could not get a "trial de novo" or from the beginning trial. He reiterated that only one of the seven Commissioners actually sat through the hearings and he understood that one of the witnesses for the Commission participated in the drafting of the report, as did members of the legal staff.

The industry, in view of the seriousness of the situation, he declared, has a right to an "independent inquiry" and to a new law. Senator Wheeler said he was not upholding the proceedings of the Commission, declaring that many independent agencies have become exceedingly arbitrary. He said he wanted to correct this situation, but did not desire to go to the other extreme and get a situation that is "just as injurious".

Judge Burns suggested two improvements that Congress could make in the appellate procedure: (1) Provide that whoever tries the case shall be independent of the Commission and owe it no allegiance; and (2) Congress tell the Commission specifically the limit of its jurisdiction so that the industry will be dealing with a law and not a man.

Cites Advocates of Changes in Law

Declaring he wished to "call the roll on whether there should be a change in the law", Judge Burns enumerated that President Roosevelt headed the list, since in 1939 he emphasized the inadequacy of the existing statute and of the FCC, and invited Congress to write a new statute. Next he listed Chairman Wheeler, who pointed to the need for changes during the current hearings; and Commissioner Craven, who, he said, with "sincerity, forthrightness and judicial bearing and technical knowledge, held the FCC did not have the authority to issue the regulations. He also mentioned Mr. Paley's recommendations for specific changes in the statute and "even Mr. Caldwell", who had testified under examination by Senator Clark (D-Idaho) that at least a change in procedure was desirable.

To buttress his reference to Mr. Caldwell, Judge Burns quoted another article by Mr. Caldwell published in *The Annals* of the Academy of Political & Social Science in 1937, in which he said that Congress could contribute greatly by amending the Radio Act on the appellate provisions, as well as negative any invasion of the rights by the FCC, vested in the Federal Trade Commission and in the National Recovery Administration.

In the field of administrative law, he quoted Mr. Caldwell, Government agencies make their own rules and sit as both prosecutor and Judge. Commending Mr. Caldwell as a fine lawyer, Judge Burns said he was certain that he would help Congress streamline the new Communications Act.

Claims Terror Is Not Synthetic

Exclusivity, Judge Burns said, is not as bad as it sounds and is "nothing sinister". He said there was no "statesmanlike evaluation" of it by the Commission in the interests of the public. Moreover, he said, the Commission's power on exclusivity is at least doubtful and the Commission should have gone to Congress for the answer.

There has been no refutation during the hearing on the charges of witnesses Craven, Ethridge and Paley that under the exclusivity rules the "rich get richer and the poor get poorer", Judge Burns declared. He alluded to Chairman Fly's "first call" statements, but said these could not be read out of the regulations.

Rather than take such drastic action, the Commission could have followed several other courses, but in all the rules it resolved against the networks and the industry in the most extreme manner, he charged. He said it was small wonder that the industry was "filled with terror that is not synthetic".

Observing that the testimony of proponents indicated that Col. McCormick and Mr. Strauss were "in danger of going on WPA", Judge Burns said that if MBS ever gets these rules "all I can say is 'hold your hats'."

Asked by Senator Wheeler whether MBS was responsible for the rules, Judge Burns said he was perfectly willing to accept Mr. McCosker's testimony that it was not, but he failed to see where they opposed them.

He added that he thought MBS would be "harmed considerably if the regulations are permitted to go into effect".

Essaying to answer the argument of MBS that it was blocked out of 70 cities because of exclusive contracts, Judge Burns pointed out that since 1938 some 150 new stations have been licensed. He said MBS has received 15 additional exclusive outlets and has 7 outlets which it shares. In 8 cities of the 70, fulltime stations have been granted; in 6 other part time stations have been authorized. Thus, he computed, there are 36 out of the 70 cities which are now available to MBS for outlets. Beyond that, he pointed out, in 26 of the 70 cities CBS cannot get outlets.

Option Time Rule Threat to Networks

Judge Burns said he was still at a loss to ascertain why the Commission proposes to outlaw the option time rule. He said it appeared as though it had been written by a group of publishers or other people who were out to ruin radio. In effect, according to Chairman Fly's testimony, he said, option time would be banned for the networks but they could "buy it". Out of this "twisted conception" he said he could only draw the inference that Chairman Fly disliked bigness. He reiterated he could not determine what public service would be serving by the abolition of option time, which he described as absolutely essential to network operation.

No complaint has come from affiliates, he said, referring again to previous testimony of Mr. Paley that in 10 years the affiliated stations have increased their portion of the network dollar from 21% to 49%. He said this did not indicate that affiliates are a "helpless ward of the State".

The one-year limit on affiliation might as well be 48 hours, he said. This rule denotes lack of practical consideration, he declared. He cited this as one of the outstanding reasons the rules should be shelved so that the fate of the nation would not be left to the "vacillating whim" of someone who happens to head the Commission.

The rule on affiliated station rates similarly was attacked. Judge Burns charged the FCC was invading business practices in the teeth of a declaration by the Supreme Court that it has no such powers.

Single Net Clause Described as Vicious

Although CBS is not affected by the rule requiring single network operation, Judge Burns attacked the rule as the "most vicious of all". He said he did not propose to pass on the wisdom of forcing NBC to divest itself of a network, but there was the question of power.

Judge Burns recalled that Sena-

War and Horses

FIRST time a CBS commentator from Berlin has been stopped by a censor and then told to continue occurred June 15 during the 7:30 p.m. *World News Tonight* program. Howard Smith, the CBS man in Berlin, was telling about Croatia's adherence to the Axis, when a German voice stopped him. Murmuring could be heard, and the German voice gave the "go ahead" order. Berlin news resumed with the word that race horses in Germany now have German names — and Smith just signed off.

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tor Wheeler had fought vigorously several years ago against the "death sentence" power given the SEC and that Congress, after a heated debate, by one vote passed this legislation. But he said the language was carefully drawn and the Commission was restricted in what it could do, with the orders made appealable directly to the Circuit Court of Appeals.

This, however, he said, is not the FCC's idea at all. After only 18 hours' notice to other members of the Commission, it put through regulations which gave NBC only 90 days to sell the Blue Network and then provided that in order to get an extension they would have to plead for it "with hat in hand".

Recalling Chairman Fly's testimony that there might be five or possibly six networks as a result of the rules, Judge Burns said this amounted to "wishful thinking". The present state of the industry is so confused, because of these regulations, he said, that he did not think that "even Edward J. Noble, new owner of WMCA, would dare to start a new network under the rules".

Since there is doubt on the Commission that it has the power, Judge Burns asked why it should not weigh every doubt in favor of the industry and go to Congress to resolve those doubts. He concluded with a plea that the committee approve the White Resolution.

Trammell Recites Reasons for Passage

Niles Trammell, NBC president, took the witness chair and explained that he would make the only appearance for the network, save for a discussion of the jurisdictional phases by Duke M. Patrick, NBC counsel. Frank E. Mullen, vice-president and general manager of NBC, and Mr. Patrick, sat on either side of the NBC president.

Reading a prepared statement, Mr. Trammell urged the committee to approve the White Resolution, citing three reasons. He said it was his firm belief as one who had been in radio since its inception, that the rules "will disastrously affect the entire broadcasting structure of the nation; that the issues raised by the regulations are not merely industry issues but are distinctly public issues, in that they affect the users of 50 million receiving sets, thousands of radio programs, the business life of the nation and the morale and welfare of the American people; and third, that a national radio policy defined by Congress is urgently needed now to protect by clear mandate the freedom of the air against either private or Governmental control, and to insure the continued operation of broadcasting under the American system of private enterprise.

Stating frankly that the operations of NBC are "seriously affected" and that the welfare of 2,300 employes is at stake, Mr. Trammell said these interests are closely interwoven with those of the many public groups served, the independent stations of NBC and the radio audience who so heartily has approved past service.

Points to Changes In the Industry

He said he was not opposed to the proper regulation of broadcasting under the licensing powers authorized by the Congress and administered by the FCC. Such regulation, he said, is essential but "we are operating under a law conceived 14 years ago and before the present problems of network broadcasting could be foreseen". The vagueness of the old law, the lack of clarification of certain vital principles and the limited rights of appeal "all argue strongly for new legislation as the only solution of the major problems confronting us", Mr. Trammell asserted.

Disclaiming any intention to defend all of the business practices of the industry or to maintain that service cannot be improved, Mr. Trammell said he felt there are no substantial abuses. He said he did not believe that competition has been or is being restricted and that the whole history of progress in the last 15 years of NBC operation refutes these charges.

Predicting that the changes decreed by the FCC will disrupt the present orderly distribution of broadcast service, Mr. Trammell held they were not the result of public demand or a deficiency in service. "They are the result, apparently, of unproven charges of domination, control and monopoly. They stem from the competitive cry of those who seek, through Commission edict and without competitive effort, to replace the pioneers who developed our American system of network broadcasting".

Under the rules, the Commission essays to regulate the business practices of radio and that constitutes the great danger, Mr. Trammell told the committee. He said the industry never believed that Congress intended to give the Commission the power to prescribe business rules or program practices, but that it meant to give the Commission power "to regulate the industry, not to operate it".

After quoting from the FCC minority report that the rules would create "anarchy" or a kind of "business chaos" in which the public would suffer, as well as Senator White's observation during the hearing that the Commission has tended to assert authority it does not have, Mr. Trammell observed that broadcasters, the Commission and Chairman Fly do not know how the American system of broadcasting "can operate under the rules as it has in the past".

Post Mortem Relief Arouses Apprehension

The Commission promises in its report, he said, that if the new order does not work, it will appeal to Congress for legislative help. But "we of the industry appeal to the Congress for relief and clarification now", he said.

"I believe that we are properly apprehensive about the willingness of the Commission to perform a serious and perhaps fatal operation, while limiting Congressional help to post mortem relief", said Mr. Trammell. Pointing to the confusion and bewilderment created by the "startling change" wrought by the regulations, Mr. Trammell said that neither court determination of the intent of Congress under the present law nor the mere modification of the new rules, leaving unlimited discretion in the hands of the Commission is sufficient to enable broadcasters "to go forward with any confidence as to their future status".

He said he was convinced there is no substitute for legislative study and action on the problems that confront broadcasting. Like previous witnesses, he referred to the Pottsville decision by the Supreme Court which summarizes the distinction between the remedies of litigation and legislation.

Declaring that the industry has set up its own machinery for self-regulation to prevent and correct bad trade and program practices, Mr. Trammell declared that the industry has come down a long road to the point where the Commission now demands that the industry yield to it the control of business practices, under the guise of its authority to grant licenses in the public interest, convenience and necessity. He described this as a real issue and contended that it can only be resolved by law, not by Commission edict, and that the law should be so defined that the industry will know how to proceed.

Alluding to Chairman Fly's testimony that the new rules constituted "a Magna Charta for the broadcasting industry" on the one hand, and that the regulations really meant "a minor operation" on a few small clauses in station and network contracts, Mr. Trammell asked: "Magna Charta or minor operation—which is it?"

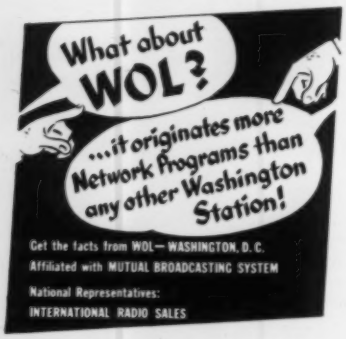
Rules Give FCC Limitless Power

He pointed out that the Commission in its report said that if the rules do not achieve the purposes hoped for, then Congress should amend the law to authorize "direct regulations appropriate to a non-competitive industry". In other words, he declared, the Commission foresees the possible breakdown of broadcasting by private enterprise.

NOW THEY LOOK LIKE THIS

See page 36

PHOTOGRAPHS ON PAGE 36 in same (l to r) order show: **(1) O. B. Hanson,** NBC engineering vice-president, who was radio operator on the British steamer *Stephano,* plying between New York and St. Johns, Newfoundland, when it was torpedoed off Nantucket Light by a German submarine just prior to the United States entry into the war. **(2) G. W. (Johnny) Johnstone,** former NBC and WOR publicity chief now doubling as radio director of the Democratic National Committee and the President's Birthday Ball Committee, who was a "ham" when he enlisted at the Brooklyn Navy Yard in 1917, served on munitions carriers between New York and France and was on the *USS George Washington* as one of President Wilson's confidential operators when he went to Europe in 1919. **(3) Earle J. Gluck,** manager and chief owner of WSOC, Charlotte, N. C., who since last April has been on active duty as assistant district communications officer at the Navy Yard, Charleston, S. C., having been called up as a Lieutenant Commander, U.S.N.R.; he enlisted in the Navy in 1917 as a radioman third class, serving on cruisers, subchasers and transports and being mustered out in 1919 as chief radioman.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It is perfectly willing, when the chaos and business anarchy predicted by the dissenting Commissioners becomes a reality, "to recommend that a Government-controlled monopoly be legislated by Congress as the only alternative method of operation".

The rules, Mr. Trammell charged, when stripped of non-essentials, would give the Commission almost limitless powers which it "seeks to assume without going to Congress for authority". He said these would strike directly at the freedom of the air and that they are but a prelude to further regulation.

It is significant, Mr. Trammell said, that the "Magna Charta" which has been presented to the broadcasters imposes the death penalty for the infraction of every rule. The station is specifically penalized by loss of its license if it does not accept the dictation of the Commission, he asserted. "With such power of life and death held over the station owner, a nod is as effective as an order".

Relating that broadcasters are "bewildered by the philosophy of control" expressed by the Commission, Mr. Trammell said the monopoly report is "full of indirection, innuendo and oblique references". The direct charge of monopoly is not made, he pointed out, but a new slogan, "domination", is constantly sounded throughout the report.

Alluding to the criticism of restrictive provisions in the existing contracts between NBC and its affiliated stations, Mr. Trammell said that in order that there be no confusion between the minor and the major issues to be considered, he had taken direct action to eliminate any further need for consideration of "these lesser matters so vigorously complained of by the chairman of the Commission".

Contract Clauses Not Matter of Issue

He said there had been no secrecy whatever about the terms and provisions of NBC contracts. He mentioned three clauses which Chairman Fly, at great length, criticized. These he enumerated as: (1) NBC is permitted to cancel affiliation agreements on 12 months' notice, whereas the station is bound for a period of five years; (2) NBC prevents the station from having rates for local business below those charged for network broadcasting by NBC, and (3) in the event a station cancels a network program to carry a local commercial program, the station must rebate to the network the difference between what the network would have paid it for carrying the network program and the amount the station received for carrying the local program.

Declaring that these clauses were placed in the original contract at a time when such arrangements were experimental, Mr. Trammell said to his knowledge the first two had never been enforced and the third had been invoked only on rare occasions when a supplemental arrangement had been mutually agreed upon by the station and NBC.

None of these provisions has been a matter of issue between NBC and affiliated stations, and NBC has never controlled the rates charged by affiliated stations, he said.

Mr. Trammell revealed he had prepared memoranda to all NBC affiliates affected by these contract provisions, "asking them to agree to the elimination of these clauses from our contracts."

Another sales policy criticized by a competitor (MBS), Mr. Trammell related, was that which permitted advertisers to combine their billings on the Red and Blue networks for a total volume discount. This policy, he said, is not important, affecting only seven of the network's accounts. Its elimination would increase their expenditures by only 2%, he observed. "We are eliminating this discount and all advertisers will be so notified."

"Now that we have eliminated these 'vicious' clauses referred to in the testimony of Chairman Fly," Mr Trammell testified, "I would like to advise the members of the committee that of the 233 contracts NBC has with affiliated stations, 117 are firm commitments with equal rights of cancellation on the part of the station and NBC. The remaining 116 contracts give NBC an option to cancel on 12 months' notice."

Calls Chairman Accuser, Prosecutor and Judge

Like Mr. Paley, the NBC president pointed out that these contracts do not expire simultaneously and that in the course of any one year many stations have the opportunity of changing their network affiliations.

While the new rules are far-reaching in their effect on the entire industry and its service to the public, Mr. Trammell said, they involve in addition "a direct attack upon NBC." He said that Chairman Fly, by statement and inference, "has charged us with being a monopoly, with restricting competition, with controlling public opinion, with dominating all affiliated stations, and, in broad generalizations, unsupported by facts or evidence, has endeavored to discredit our reputation."

Mincing no words, Mr. Trammell said NBC has not been adjudged guilty of any of these charges by a jury, but instead has been condemned in advance by a regulatory body and by a chairman "who is accuser, prosecutor and judge." The FCC has given NBC "a death sentence" on one or the other of its two network services and has been told that it cannot operate some or all of the stations it has been operating for many years, he claimed.

Affiliated stations have been ordered not to enter into any future contracts under penalty of revocation of licenses "unless we conform in every detail to the latest edicts of the Commission—the most radical and most severe regulations ever issued by that body," Mr. Trammell said.

Pointing to NBC's progress and development in all phases of radio, Mr. Trammell commented that if it is a crime to grow, to extend service and to make reasonable profits, "then we are guilty."

Wheeler Criticizes Exclusive Contracts

Mr. Trammell made an all-day appearance at the Wednesday session. Depicting the gradual growth of NBC since its formation in 1926, he pointed out that of the 503 stations in the United States affiliated with the four national networks, 233 are on the NBC networks and of these 103 are on the Blue.

When Senator Wheeler asked whether NBC had maintained exclusive affiliation contracts prior to 1934, Mr. Trammell asserted that though there were not written contracts, there was an informal understanding that affiliated stations would not take programs of other networks.

Senator Wheeler, however, said this was a reversal of the former position taken by witnesses for NBC at past proceedings, the contention then having been made that affiliates were kept because of superior programs. He insisted that no particular chaos was created by virtue of non-exclusive contracts and that NBC, prior to their introduction, progressed successfully.

Now, the Montanan continued, the principal networks come before this committee and say that without exclusive contracts radio "will go to hell." He said this sort of argument might impress some people, but he "had been through the mill." If the gentleman's agreement worked in the early days, he said, he felt it could work now. Moreover, Senator Wheeler declared some stations agree that exclusive contracts are untenable.

A discussion of the influence of advertising agencies over network broadcasting was begun by Senator Wheeler. Mr. Trammell refuted his contention that such agencies as Blackett-Sample-Hummert "dominate the industry." He said the majority of the agencies realize that when they put on a program detrimental to the medium, they hurt themselves, since radio has proved a very profitable operation for them. While they have some influence, Mr. Trammell denied they are in the position of exercising "a lot of pressure".

Effect of Long-Term Contracts Discussed

Senator Wheeler said that the FCC, in his judgment, could exercise authority over contractual affiliations and long terms, since in effect they involve transfer of a substantial portion of station time to the control of the networks. He said he thought that the network argument that the Commission had no such power was "erroneous".

Mr. Trammell cited that long-term contracts were essential for stable network operations for various reasons. He recalled that when NBC first placed network service in Montana, the operation was in red ink for three years but now is profitable. If there had been no five-year contract, the stations could have switched to another network and he insisted this would not have been fair.

Picking up his prepared statement, Mr. Trammell cited the virtues of dual network operation by NBC, particularly in connection with service programs. He read into the record comments from

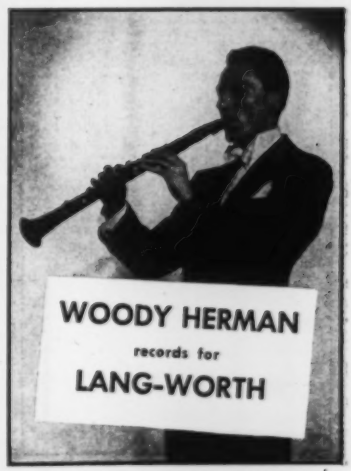
SURVEY OF NORTHLANDS
Famous Routes to Be Retraced, Recorded by CJCA

A SURVEY of the vast tracts of the North Country will be undertaken some time this year and preserved in the form of film and recording, by CJCA, Edmonton, Alta., under the direction of Walter Blake, commercial manager. He will follow the route of the history makers of the Northland, carrying a recording unit to bring listeners the first stage-by-stage broadcast of a trip through the country of Robert Service, adventurer and author of the famous poem, "The Cremation of Sam McGee."

In addition to the recordings, the motion pictures will be made to present irrefutable proof that the North is not beneath a blanket of snow throughout the year but that vegetation flourishes right up to the Arctic Circle.

By cueing the discs to the film taken on this trip, CJCA hopes to have a document of considerable importance and interest to everyone who is still susceptible to the call of adventure.

WPTF NOW 50,000 WATTS
RALEIGH, in the Center of North Carolina
Ask your Agency to ask the Colonel!
FREE & PETERS, Inc., National Representatives



leading ecclesiastics, commending NBC's contribution to religion.

He recounted also NBC's contributions in the fields of education, women's and children's activities, music and informed public opinion. This 15 years of development in working out a "balanced diet of public service programs" was effected with the approval of the NBC advisory council of distinguished men and women, he said.

Mr. Trammell said he wanted to emphasize that these policies "were not laid down for us either by Congress or by the FCC." Nowhere in the Commission's monopoly report is there complaint about NBC programs or program policies, he said.

Cites Expenditures For Program Service

Asserting that a 15-year record of constantly improving public service should not be lightly overlooked or brushed aside, Mr. Trammell declared that service to the public should be the major test. He estimated that NBC had spent more than $45,000,000 on sustaining programs. In the face of that, he declared, NBC has been charged with being "a large New York corporation" that had made "plenty of money." The inference was that there is "something wrong about profits."

The record shows, he revealed, that NBC has averaged under $2,000,000 per year in profits for the 15 years of its existence, representing a net profit of 7.29% of its gross income. He pointed out that last year NBC paid Federal, State and local taxes of $2,510,000. In constantly seeking to improve and expand service, NBC has conducted extensive research and has spent an average of a half-million dollars a year for this purpose, he said. Expenditures for research and development have been increased, he pointed out, as income made it possible, and for the last two years NBC has spent almost a million dollars a year on television alone.

In this connection, he said that broadcasting is "just a play-thing" compared to the operation of television. NBC, he pointed out, had spent about $2,000,000 on laboratory development.

Mr. Trammell said NBC also has been a pioneer in international shortwave broadcasting and that until two years ago the regulations prohibited acceptance of commercial revenue for this service. Declaring it is still being operated at a loss, he said the service has been maintained by the company throughout these years in conformance with the policies and desires of the Government in international relations. For five years the international division of NBC has carried a daily schedule of programs in six languages and this service is now on a 24-hour basis, he said.

Loss of Blue Would Limit Sustainers

Interrupted by Senator Brooks (R-Ill.) on program development, Mr. Trammell said that if NBC is forced to sell the Blue, it wouldn't have the time on one network to provide the same degree of sustaining program service. MBS, he said, since its formation in 1934, has had the same opportunity to spend and develop as has NBC.

Senator Wheeler interjected his repeatly expressed idea that networks or advertisers, as a matter of public service, should work out means of providing truly national service even if less profits were earned.

Asked by Senator Andrews (D-Fla.) about network religious broadcasting, Mr. Trammell said that both NBC and CBS provide sustaining service, but that in the case of Mutual he did not know what they did in a sustaining way, although he knew they had some "commercial religious broadcasting."

Charges had been made, said Mr. Trammell, that NBC does not pay its stations a satisfactory stipend. He introduced an exhibit on distribution of revenue from sale of network time for 1940. The aggregate was $23,852,808, after taxes and agency commissions. Of this amount $10,562,213, or 44.3%, was paid to affiliated stations, he said. The balance of $13,290,595, or 55.7%, was retained by the network and from which it paid wirelines, sales expense, sustaining service, studios, network staff, etc.

Mr. Trammell said he did not know what the return of the New York key stations of NBC amounted to, since books were not kept separately. He said gross network sales on the 10 managed and operated stations amounted to $7,700,000 during the year.

Denies Domination Of Public Opinion

Answering Chairman Fly's charges of domination, which he described as a "synthetic creature," Mr. Trammell said the FCC chairman, by lumping the business of NBC and CBS, as well as their affiliated stations, and dealing with them in terms of gross wattage, had turned two of the most aggressive competitors in American industry "into Siamese twins of his own imagination."

He said the networks in fact are separate and apart and compete for advertising, station affiliations, programs, news scoops, prestige and the ear of the listening public. "Yet Chairman Fly charges these two companies with a joint control of our national public opinion," he said.

Denying the accusation of NBC domination of public opinion, Mr. Trammell said that no broadcaster should be permitted to procure such a hold. "I am for any action that it would please Congress to take to prevent even a possibility of control of the air," he said.

Asserting that the worst domination that could be visited upon public opinion "is domination by a political commission," Mr. Trammell related that the FCC chairman had given "reams of testimony on what he says is a threat to public interest inherent in the operation of nationwide networks, although these actively and aggressively compete with each other."

He added the chairman had said nothing about the "danger of the assumption of unlimited power by a Commission which insists that it has a mandate from Congress to make and enforce its own definitions of public interest, convenience and necessity."

It is as important for Congress to guard against this type of domination, he went on, as it is against the remote possibility that a network operator "would commit business suicide" by violating the policies which now guarantee freedom of the air.

Problems Raised By Television

The confusion and bewilderment of NBC resulting from the Commission's new regulations in the standard band "are even more apparent" when television is considered, Mr. Trammell told the committee. He said all that broadcasting has achieved today is dwarfed by the vast possibilities of television.

Pointing out that NBC has the advantage of more than $12,000,000 poured into television research and has spent millions to pioneer establishment of the first public service of television without the "slightest return," he said his company recognized the great possibilities of this new service and the contribution a new industry will make to the nation's recovery program when the present emergency is over.

NBC feels that television must begin with a network and has been doing everything in its power to bring about the expeditious development. By limiting television licenses to three stations for any one licensee, the Commission has hamstrung this development, he declared.

Now the FCC has ordered NBC to divest itself of one of its network services and threatens it with the loss of operation of standard broadcast stations, he said, while at the same time it encourages entrance into operation of new stations in television and FM. He pointed out that the older service of broadcasting is profitable but the new services have yet to produce any revenue.

"Apparently the Commission favors our loss of present investments and revenue but wants us to invest in new fields," he said. "Under the circumstances how can anyone know what to do? We cannot plan our course until the Congress has determined definitely what it expects of those engaged in the business and service of broadcasting sight and sound."

Blue Network Arouses Interest

Taking up the Blue Network issue, which he called the "orphan of this hearing," Mr. Trammell said that since 1936 NBC has had "about three offers for the property." But he declared there has not been a single offer since issuance May 2 by the FCC of the new rules. Moreover, he said, none of the original prospects have shown any interest.

Mention of the Blue Network sale excited particular interest among committee members and Mr. Trammell found himself interrupted frequently. The Commission suggests, he said, that NBC dispose of the Blue as though it were an entity and on the assumption that "we can barter with the rights of the affiliated stations now contracting for Blue Network service."

Chairman Fly, who "interprets the new rules to fit the needs of the occasion," he said, holds that the Blue can be transferred as a going concern, that contracts of affiliates will remain stable under new management and that business now on the books can be trans-

JUNIOR C. OF C. AWARD in a radio activity competition between 29 similar groups in California was won by the Oakland Junior C. of C. which utilized over 85 hours of time during the past 11 months on KROW, Oakland. Inspecting the trophy are (l to r) Keith Kirby, KROW program director; Jean Bell, radio committee chairman of the junior civic organization; and A. Hubbard Moffitt Jr., president of the local group.

WFMJ

Youngstown's Favorite Station

A Hooper-Holmes survey shows that WFMJ has more listeners than any other station heard in the Youngstown district.

KFEL DENVER
5000 WATTS
MUTUAL NETWORK

DENVER'S ORIGINAL ALL-NIGHT STATION

Represented by John Blair

FREE LESSONS IN SPANISH

WTSP and Newspaper Cooperate in Gesture to Enhance Latin American Relations

FREE LESSONS in Spanish, designed to give Floridians an opportunity of evidencing their good neighborly feelings toward the Latin Americas, are being offered through a cooperative venture of WTSP, St. Petersburg, and the *St. Petersburg Times*.

The radio-press project, which started May 29, is drawing attention from Nelson Rockefeller, Coordinator of Latin American Commercial & Cultural Relations, as an idea that may be taken up in other parts of the United States. Nelson Poynter, publisher of the *Times* and owner of WTSP, and chief of the press section of the Rockefeller Committee, also has taken an active interest in the project.

Visual and Oral

Cooperating with the Cortina Academy, New York, the newspaper and radio station twice weekly give coordinated visual and oral Spanish language exercises. The *Times* each Tuesday and Thursday carries the text of several pages of Spanish lessons as printed in the Cortina Academy textbook.

At 7:15 p.m. Tuesday and Thursday evenings, WTSP conducts oral exercises covering the printed text. The press-radio course consists of 20 lessons. Although the complete textbook eventually appears in the paper, and the twice-weekly reprints will serve for any listener, students may purchase the Cortina textbook complete for $1.

The new project received a hearty sendoff at a special civic program May 29. Educational and civic leaders lauded the idea. Also applauding the plan during participation on the special program were the Cuban consul, Juan Manuel de la Puente; Rafael Ybor, former Cuban diplomat and professor of Latin history at Tampa U; Dr. Luis A. Larrea, of the Cuban consulate, and Senor Gomez Foro.

"It is a good idea. We have to be together. We are so close to each other that what happens to the United States happens to Cuba and the South American republics," commented Senor de la Puente. Senor Ybor declared also: "It is a splendid move. There is no better way to understanding a country than to learn its language."

...ered with the cheerful consent of advertisers.

Calling this inconsistent, Mr. Trammell said the Commission states on the one hand that the stations are to be freed of these restrictive contracts of affiliation and on the other hand tells NBC to "sell these contracts" and transfer them to a new owner.

The Commission and its chairman, he said, "blandly assume that all of the great programs now on the Blue Network will continue as usual." He said he interpreted Mr. Fly's testimony that the Blue carries far more than its proper share of public service programs to mean that he feels such programs should be replaced with commercials by the new management.

Difficulty of Placing Value on the Blue

"The Commission has ordered the disposal of one of our network services, when the same orders destroy existing contractual relationships, prohibit exclusivity of affiliation and optioned time and create a situation of forced sale that is practically a death warrant for the Blue Network," he continued.

Mr. Trammell questioned how either seller or purchaser intelligently could estimate the value, future stability or future profits of the Blue Network. He said he understood the Commission had issued a "clarifying order" modifying the "90-day execution" but said that a great deal more than time is involved. Asked by Senator Wheeler what NBC had to sell aside from its own stations, Mr. Trammell declared that in his judgment it has only key station WJZ in New York and the half-time station WENR in Chicago. Since all contracts would have to be rewritten under the rules, he said a scramble for Blue affiliates unquestionably would result and in his judgment there would be only three competitive networks with one partial network as against the "five or six networks" predicted by Chairman Fly. It would seem, he said, that all of the contracts of Blue affiliates would be "thrown up in the air on Aug. 2, with NBC, CBS and MBS all scrambling for them."

Asked by Senator White what practical difference from the standpoint of service to the public there would be if NBC offered its network in two units as against a single unit, Mr. Trammell said this could not be accomplished without duplications of service in the same area.

Mr. Trammell declared that the value of the Blue is gone under the new rules. With the predicted reduction in network service, he said there would be a loss to the public rather than the increase foreseen by Chairman Fly.

Reverting to testimony of Chairman Fly that the Blue could be sold easily and that NBC had exaggerated the effect of the rules, Mr. Trammell said he took it that "we are going to have his assistance and that of the Commission in disposing of the Blue Network and that at least, if he is unconcerned about the effect of such a sale on the NBC, he is concerned and in fact strongly believes, that the Blue Network will continue under new management as a vigorous and successful network." He felt the potential purchaser should receive "more assurance as to this being possible than are furnished by either Chairman Fly's statement or the new rules."

Public Service Programs Might Be Endangered

Mr. Trammell explained that in addition to WJZ and the half-time WENR, the Blue Network leases WMAL and KGO. In 1940 the Blue had a volume of about $8,000,000 after discounts and agency commissions. The truth of the matter is that there is involved in this transaction transfer of the licenses of one fulltime and one half-time station, the sale of these transmitters, partition of studios and plant equipment now used jointly for Red and Blue programs and putting on the block those NBC employes who have been with the company for years, whose services are no longer required for the remaining operation.

While the serious business and personnel problems created by the Commission order are of grave concern, he said the loss in public service is of greater significance. In this connection, he mentioned the *National Farm & Home Hour*, broadcast continuously for ten years as a sustaining feature on the Blue, although it could have been sold commercially many times.

When NBC disposes of the Blue, he said this program could possibly be transferred to the Red, providing those stations wanted it and would replace time now sold for a non-commercial feature; the new operators of the Blue could take it over provided they did not take Chairman Fly's suggestion that there is too much public service on the Blue and that it should be replaced with a commercial, and third that the program could be abandoned. He called the latter not an unlikely possibility.

A number of other public service features likewise would be threatened or go by the board, such as Toscanini, *Town Meeting of the Air*, Damrosch *Music Appreciation Hour*, Metropolitan Opera and others.

Declaring he did not want to oversimplify the situation, Mr. Trammell said it did not seem to him that on the "vague charge of domination and monopolistic practices, unsupported by any evidence of injury to anyone, the NBC is suddenly proclaimed a menace to the public interest because of the extent of the service it renders."

Program Shifting Between Red and Blue

Quickly challenged on this statement by Chairman Wheeler, Mr. Trammell nevertheless said that Mr. Fly decreed the separation of NBC's operation on the assumption that a better public service might be rendered. He said there was not a thread of evidence in the testimony that NBC had not rendered an adequate public service.

Chairman Wheeler interposed that he felt the observation was somewhat exaggerated and that while he did not agree with what the Commission proposed to do, he did not think it was a fair interpretation of the rules. Declaring that Mr. Trammell had "put a halo around the head of NBC as a perfect service," Chairman Wheeler declared he thought the network had done a good job but that there is room for improvement.

The mere fact that NBC controls two networks would not make it a monopoly, he commented. The FCC apparently thought, he related, that it would be more in the public interest if there were four chains and if the Blue were an independent operation since it might become more aggressive and render a better public service than at present.

Mr. Trammell retorted that he thought the rule requiring the separation of the Blue Network was "one of the main reasons why Congress should investigate that industry and approve the White Revolution."

Asked by Chairman Wheeler about the earnings of the Red Network as compared to the Blue, Mr. Trammell said that separate books were not kept but that he "assumed" the Red Network made the substantial profit and the Blue did not. When Chairman Wheeler asked about the shift of worthwhile programs from the Blue to the Red, Mr. Trammell said this worked both ways. He said that certain programs had been shifted to the Red upon insistence of the advertiser and because of distribution. Moreover, he said that many advertisers desire the Blue because the rate is about half that of the Red.

Chairman Wheeler, however, said he felt that if the Blue were owned by some aggressive group, "like Mr. Paley's organization," it would get better programs and do a better business. He added that one of the reasons CBS has done such an outstanding job is because it "belongs to Mr. Paley and his family."

Refers to Claims Made by Mutual

Mr. Trammell placed in the record a summary of network program switches from one network to another from 1934 to date. He recited that there had been 19 programs

50,000 WATTS
CBS
covering 425,683
LISTENING
RADIO FAMILIES
in the
CENTRAL SOUTHWEST
KWKH
SHREVEPORT, LA.
THE BRANHAM COMPANY
REPRESENTATIVES

switched from the Red to the Blue and 29 from the Blue to the Red. A total of 19 programs had switched from NBC Red to CBS and 17 from NBC Blue to CBS. A total of 29 programs were switched from CBS to NBC Red and 10 from CBS to NBC Blue. Two programs had switched from NBC Red to MBS and one program from MBS to NBC Blue.

Commenting on Chairman Fly's praise of the cooperative type of network operation, as reflected in MBS, Mr. Trammell said that if that pattern of broadcasting service is to be followed, it would produce networks without central studio facilities, undertaking no engineering developments, contributing nothing to research or new service, as contrasted with the large sums poured into such activities by the "pioneer networks."

MBS, he said, has complained that its ability to compete has been hampered by the older networks. Yet, he said MBS in statements to the advertising trade, "refutes its own complaints." He mentioned statements in MBS advertisements that it is "America's fast growing network," that it covers 227 of the first 300 markets," that "two new network advertisers select Mutual for every one who selects any other broadcasting firm," and that it has "regular network coverage of 70% of the nation," and "73% of all retail sales." Yet, Mr. Trammell said, "Mutual cries that competition has been unfair."

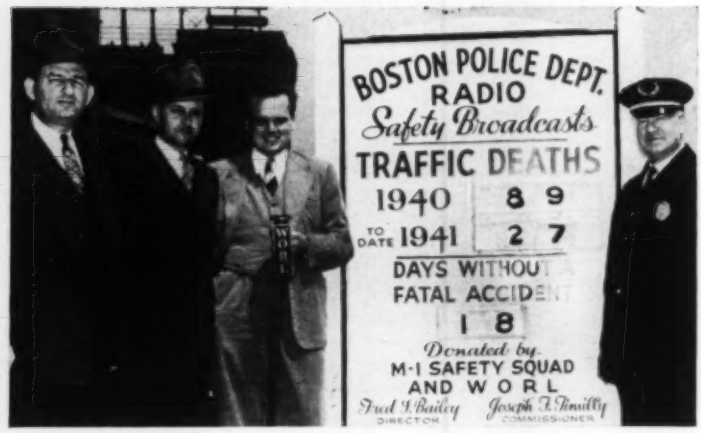
Chairman Fly, Mr. Trammell charged, seems to feel that station contract affiliations should be altered and the Blue Network disposed of in order that Mutual may be able to place its service on larger stations and in more markets. "In other words, Chairman Fly agrees with Mutual that they have gotten along pretty well, but apparently, he and the Commission want to help them do better and at the expense of the Blue Network."

Fears the Red May Be Next

Urging that if a separation of NBC is to be forced, it should be done only after legislative as distinguished from administrative action, Mr. Trammell declared that if the Commission is allowed to compel disposition of half of NBC's property and if Congress does nothing about it, "don't be surprised, if six months from now, Mr. Fly comes in and tells us to get rid of half of the Red Network." He observed it would be too late to protest "because his power has been conceded."

"Nowhere in the history of administrative regulation," Mr. Trammell charged, "has so brutal a method for the amputation of a major portion of a great private enterprise been invoked." in effect, he said, Chairman Fly proclaims: "Bend your knee, concede my power, give up the Blue, and I will let you live—you may keep the Red."

If Congress by failure to act now concedes to Chairman Fly the power to force us to give up half our property, then Congress need not be surprised when it learns in the not-too-distant future, that Chairman Fly has taken over the entire radio industry, Mr. Trammell shouted.



CONTRIBUTION to the safety of Boston was made by WORL in the form of this six-foot sign carrying a graphic message to drivers, placed strategically in traffic-laden Kenmore Square near the WORL studios. At dedication broadcast were (l to r) Station Manager George Lasker, Fred Bailey, director of WORL "M-1 Safety Squad" having 25,000 members; Ed Dinsmore, announcer; Deputy Supt. O'Dea, Boston police.

Taking up the rule which would ban ownership of stations except in three key cities, Mr. Trammell said that key stations have been fundamental in network broadcasting as originating centers. Pointing out that NBC has ten managed and operated stations, he said the original grants of license by the FCC and the annual renewal of each, is evidence that operation of the stations has been in complete accordance with the law.

NBC does not understand any reason for, or the justice of the Commission's order which, he said, decrees in effect that the Commission will deny a license for any station to a network organization which operates another station in the same area or will refuse to renew a license to NBC to operate a single station in any area where other stations are few in number or less strong in power than the station now operated by the company.

Penalizes Pioneer In Favor of Newcomer

This rule deprives NBC of the right to operate any station in Washington, Cleveland or possibly in other major markets. Again, he charged, the only justification is "the vague charge of domination, of monopoly, of control and of rendering too exclusive a service." Declaring the rule simply takes from one to give to another, Mr. Trammell assailed it as penalizing the pioneer in favor of the newcomer. The exchanges place good service for something unknown and destroy under terms of forced sale, investments made during years of creative work, an energetic effort to build up the stations.

"Finally," he declared, "it destroys all faith in the fairness of a regulatory body which, when the risk is great and revenues non-existent, encourages a citizen to acquire a license, only to deprive him of it years later because he has been successful."

Insisting that the public would not benefit, Mr. Trammell asked whether this was a game where private enterprise, operating under the regulation of a Commission with a mandate from Congress to 'foster and encourage the art' is first to be invested in and later "kicked out"? NBC, Mr. Trammell testified, currently is licensed to operate in New York two standard broadcast stations, two international stations, a frequency modulation station and a television station. The latter two are non-revenue producing and already represent substantial investments with profits a long way off.

Under the new regulations, the FCC says it is bad policy and against public interest to operate more than one standard broadcast station in New York but in the public interest to operate the other non-profit making stations, he went on.

While the new rules apply only to the standard broadcast band, he said that if the same reasoning is followed, more new rules can be issued at any time to deprive NBC of any and all of the four stations in the other fields. "I think it is plain, gentlemen," Mr. Trammell said, "that the new rules issued by the Commission are not only destructive of the present system of network broadcasting in the standard band, but also of the future service in the high-frequency band yet to be created."

Sees Inconsistencies In Cleveland Cases

Attacking the "Cleveland situation", previously cited as an outstanding case wherein MBS has been unable to get a fulltime outlet, Mr. Trammell said that in effect the Commission is trying to force NBC to sell the 50,000-watt WTAM, when years ago it could have granted additional facilities in the city. After he had recited several instances in which the FCC had denied applications for new stations in this city on one ground or another, he declared there are still pending two applications for new regional stations which, if granted, would provide adequate facilities according to the Commission's conception of adequacy. All told, he reported an examination of the record shows that since 1930 there have been 19 different applications for an additional station or for fulltime on a present station in Cleveland and that the Commission either has rejected the applications or taken no action.

Senator Wheeler interposed that he could not understand why the FCC will make a grant in one case and deny in another on substantially the same set of facts. Alluding as he had in the past to "politics" in FCC actions, Chairman Wheeler said that in some instances the Commission makes grants without hearings and in others requires protracted hearings at great expense to the applicants. He said there should be a general rule that would apply to the poor or rich, influential or those without political backing, on an equal basis. "I think it is outrageous now," he said.

Senator White observed that as long as the chairman "talked that way" he would remain quiet and simply agree with him.

The clear-channel situation also entered the affray when Chairman Wheeler said that he felt the Commission had been somewhat derelict in pronouncing policy in that regard. He said he did not believe, however, that a station in Boston would interfere with a clear-channel station on the Pacific Coast and that greater service would be rendered.

Mr. Trammell, in his recital of several denials of applications for new stations in Cleveland, pointed out that in certain instances the Commission had assigned as reasons the fact that service would be limited to the 4.8 millivolt line at night. This limitation has since been frequently exceeded in other locations, even to the extent of interference to the 9 or 10 millivolt line, he said.

Westinghouse Shifts Interest Wheeler

At the outset of the Wednesday afternoon hearings, Senator Wheeler, reading from a memo, inquired about the shifting of KDKA, WBZ and WBAL to the Red from the Blue, pointing out that the *Farm & Home Hour* thereby loses high-power outlets and rural audience.

Mr. Trammell explained that KDKA and WBZ were being shifted to the Red upon insistence of Westinghouse, which has resumed their operation after a period of NBC management, and said otherwise, "we stood to lose them to a competitor". Asked why, if the Blue is such a good network, the owners wanted them on the Red, Mr. Trammell replied, "because they make more money on the Red. We've never contended otherwise." Mr. Trammell added that the staffs of Red and Blue were separated as soon as he became president a

year ago; they now operate, he said, with separate sales and promotion staffs and "they are doing extremely well".

Resuming his direct statement, Mr. Trammell vigorously denied Chairman Fly's contention that the networks controlled not only the time of affiliates but the public opinion of the country "through a vicious restriction of the stations' freedom of action". Asserting the contrary is true, he declared stations affiliated with NBC always have had the privilege of rejecting network commercials or sustainings in favor of programs of local importance. He submitted a list of network commercial rejections showing 2,091 commercial program cancellations by stations during 1940 and 1,902 during the first five months of 1941.

"I feel," he said, "that this is the best evidence we can present to disprove the charge of domination over our affiliated stations, or the contention of Chairman Fly that the local station is prevented from carrying a broadcast by the Daughters of the Confederacy or a Senator, to take a network program consisting of a blonde gal from Hollywood who might happen to be on a commercial program. We have never forced them to forego broadcasts of local interest in favor of those offered by the network."

Believes Rules Foster Monopoly

As to exclusivity, Mr. Trammell declared the new rules forbid any station to contract for exclusive network service and make it impossible for any network to render it, thus making it "impossible to assure religious, educational and civic interests, as well as advertisers, either completeness of coverage or continuity of service.

"In essence," he said, "the rule more viciously fosters monopoly than could any possible restraint which now exists in the industry. If there is 'dominance' in the fact that four competitive networks serving 500 stations now operate in the standard field (and no such dominance has been proved), what would happen if the best programs, the best features and the largest advertising accounts gravitated, as they would, to the 50 or 60 most powerful stations in the country? Yet that is exactly what would happen under the so-called non-exclusivity rule."

Senator Wheeler then pointed out that NBC has non-exclusive contracts with WDAF, *Kansas City Star* station, on the Red, and KSO, *Des Moines Register & Tribune* station, on the Blue. Mr. Trammell, admitting this, said as a matter of practice WDAF actually takes NBC-Red exclusively, though KSO does take some MBS programs. Senator Wheeler observed that perhaps their independence was attributable to their powerful political positions by reason of their newspaper ownership.

"Under the new rule," Mr. Trammell continued, "all will be chaos and confusion. Stations will rush for the best features of every network service. Advertisers will try to preempt the best hours on the best stations. Time brokers will inject unfair methods of competition. Advertising agencies will make their own arrangements for 'front-page' positions with the bigger and better stations."

He continued that, without exclusive tieups of stations with networks, the possibility of getting satisfactory lineups for public service features becomes remote. "Every public service program which NBC would offer would be measured by the stations against the commercial and public service offerings of every other network for that period. There would be no incentive for public organizations to build up such programs; no reason for any network to spend the sums they now spend to build competitive recognition and prestige. Whatever element of public service remains will be local service. National service will become the exception, not the rule."

Option Time Not Objectionable

It would be a simple matter, Mr. Trammell explained, for advertising agencies, already equipped with expensive production departments and studios, to build up their own wire hookups. Even now, he said, many advertisers custom-build their own networks to their own distribution needs but within requirements set by the networks.

Yet whereas 10 years ago an advertiser could purchase as few as 10 NBC-Red stations during evening hours, today it is necessary to buy a minimum of 60 outlets. In May, 1934 the average number of stations on an evening Red program was only 40; by May, 1941 it had increased to 73, he said.

Chairman Wheeler at this juncture observed, "I can't see any excuse for not giving you option time if I were a station and wanted to give it to you. Unless there is some reason I don't know of now, I think the Commission is wrong."

Mr. Trammell pointed out that already competitive advertising media are making capital of the present plight of the networks in Washington, and expressed fear some advertisers may be deflected away from radio.

The new regulations, he went on, make it impossible for NBC to maintain these minimum requirements. "We charge that the Commission, unwittingly perhaps, in its efforts, as it says, to free the stations from the domination of the major networks, has successfully thrown the domination of radio into the hands of a limited group of stations and a few large advertisers."

"All the advertiser has to do," he observed, "is just rent a theatre and order phone lines."

Mr. Trammell then showed the committeemen three projected maps of the kind of networks the advertisers might order if given free choice to operate their own switchboard hookup. The first map, outlining what he called the No. 1 Advertiser Network, showed 64 stations affording effective groundwave coverage of 92.4% of all the radio families in the United States; its time, 9-10 o'clock Monday night, could be purchased for $12,015. A second map showed what a second advertiser would then be left to buy even to approximate the same coverage; it showed 160 stations covering 76.4% of the radio families of the country, and the hookup would cost $14,788. A third network would be virtually impossible to set up to give comparative national coverage, regardless of the number of stations the advertiser desires to buy or the amount of money he has to spend, he said.

Fears Advertiser Corner on Networks

"The significance of these maps," Mr. Trammell asserted, "is somewhat startling in contrast with Mr. Fly's statement that he believes that five or six national neworks are possible under the 'new freedom.' It looks to me as if even three would be impossible." After reiterating his conviction that the bulk of the advertising revenue under the new regulations "will go to a relatively few of the country's major stations," Mr. Trammell was asked by Senator Wheeler whether this contingency can be remedied by permitting option time.

Mr. Trammell replied that no network now has a corner on major stations, but under Mr. Fly's "scrambled system" he said the advertiser will get the corner.

Senator Wheeler inquired how NBC operated before it had exclusive contracts. Mr. Trammell replied that the radio advertising business has changed considerably since the old days; when NBC had no exclusive contracts, it was doing some $19,000,000 worth of business, whereas now it does $45,000,000 or more.

Explaining option time requirements, Mr. Trammell declared the prohibition on option time "strikes directly at the heart of network broadcasting."

"In building up radio," he said, "it was found to be in the common interests of stations and networks to reserve, or option in advance, definite hours for network service to individual stations, so that there may be a fixed time for fixed features and the proper balance between local and national programs."

By this means the listener knows when and where to tune in for programs of his choice; the advertiser is assured of definite time and definite coverage; the station can dispose of its hours as between local sustaining and commercial programs; and networks are enabled to plan in advance, as they must, their schedule of operations."

Time Reservations Insure Stability

NBC recognizes the needs of local service, he said, and options from its affiliates 10-12 in the morning, 3-6 in the afternoon and 7-7:30 and 8-11 in the evening, with slightly different schedules for Sunday. Since most stations operate 18 to 20 hours daily, this gives NBC a call on less than 50% of the station's operating time.

He offered a chart to show that national network time sales amounted to less than $71,919,428 out of the $154,823,787 worth of radio business sold during 1940, according to the FCC's own recent figures. He went on to show by the figures that the total sale of time by the networks is less than the sale of time by the stations themselves; that local sales went up 20% last year as against 15% for networks; that stations affiliated with networks do better in local time sales than those unaffiliated.

"The truth is," he asserted, "that under NBC contracts with its affiliates, local stations always have had and have now the right to reject or cancel any network offering. Time reservations are made for the purpose of insuring stability of operations, not to impose restrictions on local station management.

"Under the chairman's new pro-

WBNX NEW YORK
ONE OF NEW YORK'S BEST KNOWN STATIONS FOR IT'S Intimate PROGRAM APPEAL TO AMERICA'S LARGEST MARKET
5000 WATTS Directional
OVER METROPOLITAN NEW YORK

posal a network-station relationship, by which both sustaining as well as commercial programs are balanced by option time, would have to go overboard. It would be necessary for the network to contract for time, to buy certain specified hours, and for the network to take all risks of cancellation. The flexible program structure now maintained under time option would be made inflexible for the individual stations, and a tremendous burden would be placed upon the networks."

Senator Wheeler reminded Mr. Trammell of the arguments over 500 kw. stations as reaching into the smaller communities, and forced an admission from the NBC president that a group of these would quickly capture national business. "It's a long time since that subject was up," said Mr. Trammell, "and I haven't studied it lately, but I must admit it would make things tough for the small stations."

Sees Free-for-All To Get Best Hours

Senator Wheeler insisted that the networks should be able to sell themselves as a whole rather than in segments, and urged lower line costs for the remote areas. He said the *Saturday Evening Post* does not exclude Montana or Arizona or Maine from its coverage, and insisted the advertiser as well as the network has to think of goodwill over the country as a whole.

Mr. Trammell, explaining that advertisers were extremely marketwise, said he was doubtful whether they would accept full networks as against other media, like newspapers, where they could spot their sales messages in accordance with their distribution. He pointed out that NBC now spends $4,000,000 on long-time tolls, while Edward Klauber, CBS executive vice-president, said CBS spends about $2,000,000 and Mr. Caldwell said MBS spends about $1,000,000.

Mr. Trammell wound up his time-option discussion by pointing out that under the new rules "there will be a free-for-all fight for the best hours of the best stations."

He next defended long-term contracts as a measure of stability, and denied they are designed for control of affiliated stations. In fact, he said, affiliates have insisted on them because, in view of their investments in studios and equipment, they require the assurance of continued network service and revenues. The network itself enters into commitments for wire-lines, plant and contracts for talent beyond the one-year term. Toscanini's long-term leases for studios and three-year contract was cited.

"Long-term expenditures," he said, "which may be productive only in the future, must be made by network organizations for periods much beyond the regular licensing period. Congress recognizes this situation by providing in the Communications Act that the Commission may grant licenses up to a three-year period. The Commission apparently prefers to keep the industry on annual sufferance."

Winding up with an appeal for approval of the White Resolution and legislation to place more definite controls on the administrative agency, Mr. Trammell declared:

"It should be evident from the facts I have presented to you that the question involved in the new rules is the question of the extent of business control of broadcasting by the Commission. Business control means program control. Involved here is the choice between operation of broadcasting by private industry and operation by government.

"The breakdown of our present broadcasting structure inevitably would make it incumbent on the government to step in and, perhaps, finally to subsidize stations or to tax listeners."

Patrick Calls Position Of FCC Inconsistent

Senator White presided at the Thursday sessions because of the absence of Chairman Wheeler, due to a slight illness.

Arguing the jurisdictional and legal aspects of the rules on behalf of NBC, Duke M. Patrick, former general counsel of the Federal Radio Commission, cited difficulties confronting stations and networks in attempting to litigate the monopoly rules, because of the lack of precise appellate procedure. Moreover, he said the situation also was confused by the undetermined authority of the U. S. Court of Appeals for the District of Columbia to enter orders staying FCC decisions during litigation. This issue, awaiting final decision of that court, was decided originally in favor of the FCC's contention of no jurisdiction, he said.

Alluding to Chairman Fly's statement the FCC would "stay" the effect of the regulations and not take punitive action against any station licensee which sought to test out the Commission's jurisdiction, Mr. Patrick said that if the court has no power to grant a stay, he could not understand how the Commission could do so. He described the positions taken by the Commission as "absolutely inconsistent".

Sees Difficulty in Starting Litigation

The Communications Act authorizes the Commission to grant or deny applications but does not give it any specific powers to grant "interim relief", he said. Mr. Patrick said he thought Chairman Fly, who is scheduled to make a rebuttal appearance before the committee, should be asked whether he believed the court has the power to grant interim relief if the Commission consents to that action, in view of the status of the Scripps-Howard stay order case.

Another question which should be put to the Chairman, he submitted, was on what grounds the FCC would grant interim relief.

Finally, he said, the Chairman should be asked if, in the event interim relief should be granted by the Commission or the court and the final decision proved to be in favor the Commission, the Commission would relicense a station agreeing to conform to the new regulations.

Mr. Patrick said that all of the regulations are primarily directed against licensees, not networks. Without assurances from the Commission, he said, stations would be reluctant to initiate litigation.

Mr. Patrick said that because of the confused state of the law, the networks were not clear which tribunal had jurisdiction.

Alluding to the invitation of Chairman Fly to the networks to discuss modification of the rules, Mr. Patrick said that in his judgment for the networks to seek any substantial amendment would be "the height of futility".

If the Commission has the power to make rules, he said, it has the power to amend them. The industry, in effect is "shooting at a moving target", he said, and the legal remedy is more apparent than real.

Asserting that many changes in the law are urgently needed, Mr. Patrick said the only question is "when". Congressional action might be slower but it was vastly more desirable, he said.

Morency Explains IRNA's Viewpoint

Appearing for IRNA, Paul W. Morency, vice-chairman of the affiliate group and general manager of WTIC, Hartford, explained functions of the organization.

The present law written in 1927 and only slightly modified in 1934, he pointed out, deals exclusively with individual stations and gives no recognition to the fact that national service is network service.

The majority of radio operators believe that further development of network broadcasting requires frank recognition in the law, he said. Existing contracts are not entirely satisfactory to affiliates, he went on, but there is no unanimity among them regarding methods to be adopted for effecting the desired changes.

After explaining the background of IRNA, created to protect the interests of affiliated stations, Mr. Morency said that while it has accomplished results in copyright, music, and in effecting limitations on length of commercial credits, IRNA has not made satisfactory headway with networks on other matters, such as "station breaks and similar commercial considerations".

The IRNA convention in St. Louis May 13, he pointed out, adopted a resolution that the FCC rules would seriously impair the ability of stations to render public service.

For the Interstate Commerce Committee, Mr. Morency related a questionnaire survey was made of affiliated stations of national networks to ascertain whether they approve or disapprove the action of the IRNA convention.

Replies were received from 232

DECKED in their Sunday finest—dress and manners—were the children of KOY, Phoenix, employes, who were invited down to the station with mother to receive Defense Savings books each containing a dollar's worth of stamps. It'll be up to pop to fill up the books for the youngsters. Making the presentations is Jack Reilly, commercial manager. Recipients are (l to r) Mrs. Joe Dana and little Carol, Kathryn Mawhinney (standing) Ann Mawhinney, Velda Jean Clelland (standing), Judy Dana, Mrs. Pat McCallion with Nancy, Jack Reilly, Mrs. Rod Clelland with Roderick II. Seven other children not shown here also received books.

Columbia's Station for the
SOUTHWEST
KFH
WICHITA
KANSAS
Call Any Edward Petry Office

1340 WINX Washington's Own Station
LOW RATES—COMPLETE COVERAGE
WINX BUILDING • WASHINGTON, D. C.

stations, of which 62 were affiliated with CBS, 53 with NBC Red, 66 with NBC Blue, and 51 with MBS. On the convention resolution, 216 stations approved the action and 13 disapproved, of which 11 were on MBS, as against 37 NBC stations which voted affirmatively. Of the MBS affiliates, 17 also had affiliations with other networks, 3 with CBS, 10 with NBC Blue, 1 with NBC Red, and 3 with both Red and Blue, he pointed out.

Stations' Approval Of White Resolution

Another question asked the opinion of affiliates regarding the resolution adopted by the board to support the White Resolution. Of the aggregate, 210 approved and 15 disapproved, with 12 MBS stations in the latter category.

To the inquiry whether the best interests of the industry and the public would be served by settling questions by business negotiations between affiliates and networks, rather than by Government regulation, 205 stations expressed approval of the business negotiation and 18 disapproval, with 12 of the latter being MBS stations.

The fourth inquiry related that a number of affiliates felt it is necessary to adopt needed changes by Government regulation and that they were individually prepared to accept the regulations in their present form, even though they may not agree with them entirely. Of the aggregate vote, 210 stations disapproved this action and 11 voted affirmatively, of which 10 were MBS.

The final question posted was that the affiliates believed the changes they want could be accomplished only by Government regulation but that they thought the new network regulations went entirely too far and favored some middle ground by negotiation. Of the aggregate, 160 stations disapproved, while 61 approved the "middle ground" course. Of the latter, 17 were MBS, 16 Blue, 15 Red and 13 CBS.

Mr. Morency concluded there is evidence of dissatisfaction among affiliates with their existing contracts and substantial numbers of affiliates favor some change in the status quo and approve an effort to find "a middle ground".

"Nevertheless," he said, "it is clear that the overwhelming majority of contract affiliates believe the regulations as drawn go too far and will impair service to the public".

Gillin Says NBC Has Been Cooperative

Speaking as an individual station executive, John J. Gillin Jr., general manager of WOW, Omaha, delivered a powerful argument against the rules, aimed essentially at disruption of business aspects of broadcasting.

From the practical standpoint Mr. Gillin pointed out that WOW is an NBC-Red outlet and has a five-year contract expiring in 1946. The station has maintained cordial relations with NBC both under its exclusive contract and option time provisions, and has always been able to accommodate the needs of local and national spot advertisers, as well as public service programs, he said.

When network commercials have interfered with other programs, NBC has authorized delayed transcription broadcasts and has cooperated at all times, he said.

Mr. Gillin stated WOW preferred a long-term contract as essential to building of audience appreciation. To do that, there must be "reasonable permanency of affiliation", he said, calling it a very valuable asset since it means steady, continuing program service.

Sees Danger of Block Booking

If stations do not have exclusive affiliations, Mr. Gillin asserted, the national public service programs "will become a thing of the past". The initiative for them will disappear and in the last analysis, he predicted, the big stations, notably those on clear channels, will be the beneficiaries of the jockeying of national advertisers to get most important outlets.

Moreover, the "other stations", which he classified as the second, third and fourth stations in major markets, would get only the leavings.

Advertisers will have to contact stations personally for time clearance, he declared, and the best station in each market will receive the preponderance of the business. Stations in secondary markets, he said, now receiving pay for outstanding commercials, will be offered them on a "bonus basis" or not at all, since advertisers will maintain that such programs attract audience and that the market is not essential.

In the Omaha market, Mr. Gillin said, WOW would be helped under the new rules from the business standpoint, because of its position and of its network affiliation. But non-exclusive contracts would hurt other stations in the market, he predicted.

He said it would not be economically feasible to have six networks. The competition existing today is very healthy, he declared, and competition has taken care of rates. Even though WOW has a lower national spot rate than the network rate, he said NBC had never threatened the station. Mr. Gillin predicted that networks would become simply program builders if the rules became effective and the advertisers would be a far more potent influence.

Each advertiser would seek to build his own network, or an advertising agency would deal for a block of three hours of time, and possibly distribute it among his clients. That would result in "block booking", which he said he did not believe sound or healthy for radio.

Cook Tells Benefits Of Long Contracts

Samuel H. Cook, president of WFBL, Syracuse, largely echoed Mr. Gillin's views on network affiliation, explaining his station had been a basic CBS affiliate since 1927 and was one of the original stations of the network. When WFBL was purchased in 1932 by a group with which he was associated, he said one of the principal assets was its contract with CBS.

Pointing out that the station recently planned to undertake a $140,000 improvement program, Mr. Cook said that before this was undertaken, CBS was asked to extend the affiliation contract of the station from Jan. 1, 1941 for five years, replacing the contract which was to have expired in 1943. His company did not want to commit itself without an assurance of long-term network service, he said. Had he known of the monopoly regulations at the time this contract was drawn, Mr. Cook declared, his company might not have gone into its expansion program.

Mr. Cook asserted that option time requirements had never prevented WFBL from operating in the public interest and that the network repeatedly had cooperated on program clearances. He declared he was definitely convinced that option time and long-term contracts are necessary for orderly operation of station and network.

In reply to Senator Brooks, Mr. Cook said his contract with CBS did not carry the 12-month cancellation clause in favor of the network and that he regarded mutual cancellation privileges as desirable.

He said he would regret to see the FCC make its regulations effective at this time and that as a businessman he would like to know "where we are going". If CBS is injured, he said, all stations on the network will suffer, and this will apply throughout the industry. He urged Congress to enact a new law and pass the White Resolution.

No Public Complaints, Miller Asserts

Winding up the day's session, NAB President Neville Miller summarized what he regarded as the over-all effects of the new regulations and gave to the committee the background of the St. Louis NAB convention.

Seeking first to explode the Fly view that tremendous domination

Campaign Novelty

NEW wrinkle in political campaigning by radio was introduced by KTSA, San Antonio, on behalf of Lyndon Johnson's candidacy for U. S. Senator. Into Johnson City, Tex., went Jack Mitchell, special events chief, with remote equipment. It was set up in the town barber shop, and the town's citizens were interviewed as they came in for haircuts and shaves. KTSA did not report what Mitchell did when ad lib responses weren't in favor of Mr. Johnson's election.

TO MAKE SURE of getting the audience of Nova Scotia's most thickly populated area it is hardly necessary to stress the fact that the station is . . . . .

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WCAR

We've Got
POWER 1000 Streamlined Watts
PROGRAMS Built by a Big Time Production Staff
COVERAGE That Hits Into Widespread Industrial & Rural Markets
LISTENERS With Money to Spend . . . Who Prefer WCAR
all at LOW COST!

GET THE FACTS FROM WCAR
PONTIAC • MICH.
or THE FOREMAN CO. NATIONAL REPS
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IN ROCHESTER IT'S WHEC
BASIC CBS

WRVA COVERS RICHMOND AND NORFOLK IN VIRGINIA!
50,000 WATTS
DAY AND NIGHT
COLUMBIA AND MUTUAL NETWORKS
PAUL H. RAYMER CO. NATIONAL REPRESENTATIVE

XUM

FOR SERVICES "rendered to the Veterans of Foreign Wars, their widows and orphan residents of the State of New Jersey," WHOM, Jersey City, received on a June 11 broadcast this engraved Certificate of Appreciation. Accepting the award on behalf of the station during the special commemorative program was West W. Willcox, WHOM assistant manager (left), from Daniel J. Law, Third District Commander of the VFW Department of New Jersey. WHOM at the 11th hour of the 11th day of each month carries a special VFW program, *Speak Up for Democracy.*

over affiliates is exerted by the networks and that stations could not "call their souls their own", Mr. Miller said there had been no complaint from the public, from advertising agencies, or from affiliated or independent stations about undue monopoly in radio.

Mr. Fly sought to impart the view that stations are the "slaves" of the networks, he said, but he called this simply a "technique" he had developed for the purpose of "beclouding the issues". He suggested that the stations themselves be asked whether they were dominated.

Answering Mr. McCosker's charge that the NAB did not speak for the industry, Mr. Miller pointed out that the NAB has 552 standard broadcast station members and that this total is greater than that which preceded the convention, though several MBS stations resigned.

The proper procedure, Mr. Miller declared, is to have the Senate make a study of the whole regulatory picture and draft new legislation. He said the present law certainly is antiquated and radio today is "in a fearful state of mind" because of the assumption of power by the FCC. It is getting "awfully close to censorship", he said, and stations are fearful they are going to lose freedom of the air.

Mr. Miller admitted the industry gradually is approaching the point, due to the indefinite determination of rights, where stations "are losing their independence".

He emphasized the tremendous value of broadcasting in national defense, but said that the 50 million radio sets now in 30 million homes will be "worth nothing unless people listen". It is a very easy matter, by regulatory manipulation, he declared, "to transform these sets from listening instruments to pieces of furniture". If radio is tinkered with and does not give good programs, the public will stop listening, he predicted.

AAAA Action Favoring Resolution Cited

Offsetting Chairman Fly's statement that the regulations would have no effect on advertising, Mr. Miller placed in the record a letter from John Benson, president of the American Assn. of Advertising Agencies, asserting that the regulations "have caused deep concern among our members" and recommending that the White Resolution be adopted in the best interests of the public, the broadcasting industry and th advertising fraternity. Mr. Benson also observed that many of the AAAA members are executives in charge of outstanding programs now on the air.

Radio, Mr. Miller averred, has not been guilty of high financing or watered stock accusations made against the industry. The only complaints have been on an occasional program and, he said, this was remarkable in the light of 18 hours of program service rendered daily by 800-odd stations.

Declaring that radio faces the most serious crisis at a time when national defense is of utmost importance, Mr. Miller said haste in invoking the new regulations would be detrimental and would serve no good purpose.

Senator Brooks said many stations have indicated they carried speeches only because of influence from the "executive" branch. He predicted that unless the industry makes a determined effort to present both sides, censorship will be invited. He thought it was a job for the NAB.

Mr. Miller pointed out that in its effort to engage in "self-regulation" NAB had to watch closely the anti-trust laws, which rigidly restrict trade association operations.

No Evidence of Monopoly Says Clarence Wheeler

The Friday sessions opened with only three members of the committee present, McFarland (D-Ariz.), Tunnnell (D-Del.) and Andrews (D-Fla.). Senator McFarland presided.

First witness was Clarence Wheeler, vice-president of WHEC, Rochester, N Y., who said "I have never seen any evidence of any monopolistic power on the part of the networks. Certainly, there has been very keen competition, and the only time any terms of our contract with Columbia were ever changed was at our request.

"That involved a change in the method of arriving at our weekly compensation, and the change was made after an hour's conference."

Mr. Wheeler said he was fearful that the actual results of the FCC rule will be "in our particular case, that this affiliation that we have deemed so stable and made it possible for us to make these large expenditures, won't mean anything. I am fearful that the agencies who handle the larger programs of the national advertisers will scan the new possibilities offered to them under the new rules, and it could easily come about that the *Ford Hour* that we have carried since its inception because we were on Columbia might migrate to our 50-kw. clear channel competitor as the agency might find it in their interest to do so because that would give them a larger audience."

RCA Aids British

COOPERATING with the British Civilian Technical Corps, Radiomarine Corp. of America and RCA Institutes will make their facilities in 20 cities available to the Corps for technical examinations of applicants, Charles J. Pannill, president of both companies, has announced. J. Murray Mitchell, American advisor to the CTC, expressed appreciation for RCA's offer. [See also story on page 16].

In answer to Senator McFarland, Mr. Wheeler said his contract with CBS was up in three years and that he was fearful of divesting himself of it because of the possibility of a civil suit; on the other hand he was under FCC order to terminate his CBS contract.

Weiland Tells of Effort to Join NBC

Jonas Weiland, owner of WFTC Kinston, N. C., told of attempting to affiliate with NBC on its Blue network after being unable to meet the monthly line costs to retain an MBS affiliation. This resulted, he said, from a station at Wilson, N. C., terminating its MBS contract and thus placing too great a burden on his station to meet the line charges. He said the FCC had advised him the network regulations were in effect—thus preventing him from signing an NBC affiliation contract and leaving him without any network affiliation.

He said his station's audience had become used to network service and would not be satisfied without it, and he added that he wanted to sign a three-year contract for network service. The rules, he said, acted to prevent his station from getting network service.

Called back after testimony by J. W. Lee, manager of KGFF Shawnee, Okla., Mr. Weiland said he had been unable to negotiate with NBC because of the regulations. Senator McFarland asked if he were aware that NBC, under its present affiliation contract could terminate it in 12 months. Mr. Weiland said he was unaware of this. Senator McFarland added that he was interested because he wanted to know if NBC was submitting a new type of station contract other than the one that has been discussed during the hearings.

Active Competition Between Red and Blue

Mr. Lee, whose station is affiliated with NBC-Blue, said he had observed the greatest competition between the Red and Blue networks. contrary, he said, to testimony presented to the committee. His station, Mr. Lee said, had run into difficulty by being affiliated with MBS and NBC, receiving complaints from listeners because of conflict of "the more important" programs of both networks. He said that KGFF had decided to affiliate with the NBC because of "superior program service."

Mr. Lee said he had found that the "Mutual" deal is excellent for a large station but a very poor one for a small one, pointing out that MBS affiliates must pay for network service in cash while with NBC affiliates may pay on time.

To Senator Bone (D-Wash.), who came late, Mr. Lee said his station paid $60 per year per mile for Class C lines. Senator Bone asked him to prepare him a "little memorandum" on his line charges and said the telephone company "had attached itself to this business and

REL
FM's PIONEER MANUFACTURER
Are You Substituting Experimenting For Experience?
REL has years of experience in building and operating all types of high fidelity, wide swing, phase shift modulated FM equipment — from speech input to antenna — with qualified engineers to supervise installation with results guaranteed!
RADIO ENGINEERING LABS., INC.
Long Island City, N.Y.

seemed to pay dividends whether anyone in radio made money or not.

"That is a phase of this problem," Senator Bone said, "that has not been gone into enough. I am a little more than interested."

Mr. Lee said his station would like to have an exclusive contract with NBC to prevent other stations from getting NBC-Blue programs in his area. In two months time, he said, NBC had placed more commercial programs on his station than MBS had in four years.

Mr. Lee told the committee that after four years association with MBS he thought MBS was neither "Mutual no ra network." He said the rules were a "wrecking" operation so far as small stations were concerned."

Seymour Krieger, of the FCC legal department, asked by Senator Bone, estimated line costs of station and network operations at about 8 million dollars. Senator Bone said he thought this was quite high, commenting he had wondered why stations had not protested line costs that were "very, very heavy" and had not resorted more to transcriptions.

Hasbrook Tells of Vermont Affiliation

C. P. Hasbrook, owner of WCAX, CBS affiliate in Burlington, Vt., cited the unique terrain of Vermont which makes it a "blind spot" for outside radio service. The new rules do not threaten WCAX from a competitive angle, he explained, emphasizing the need of network programs if it was to succeed financially.

Asked by Senator Bone about line charges from Albany, paid by CBS, Mr. Hasbrook estimated the charge at $7,500 to $10,000 a year. Senator Bone commented that apparently a telephone line was a better investment than a radio station.

Speaking of time options, Mr. Hasbrook said so far as WCAX was concerned, time options to the network had never worked to the disadvantages of the local station. The FCC rules, he said, "would take the bridge out from under me when I am half-way across the stream." He commented that if WCAX had to pay for lines in cash rather than in time, the station would be forced out of business.

Barroll Outlines WFBR Switch

Hope H. Barroll Jr., executive vice-president and general manager of WFBR, Baltimore, NBC-Red affiliate since 1931 and scheduled to switch to MBS Oct. 1, charged that NBC monopolized, through its options, the bulk of the most desirable station time.

Mr. Barroll read into the record a letter from William S. Hedges, NBC vice-president in charge of station relations, written early in 1940, which he said constituted a "veiled threat" to shift WFBR from the profitable Red because the station sought to refuse a P & G commercial show on the network in favor of a long-established Maryland National Guard recruiting program. He declared his belief that NBC's offer of an economic guarantee for a WFBR Blue affiliation, which came after negotiations were concluded switching WBAL to the Red, was made to prevent affiliation of WFBR with MBS.

He recited events events leading up to the shift in affiliation from the Red to MBS.

Religious and Women's Groups Appear

The hearings were adjourned subject to the call of the chair after statements were placed in the record by Frank C. Goodman, executive secretary, Federal Council of Churches of Christ in America; Edward J. Heffron, executive secretary, National Council of Catholic Men, and Mrs. Helen Wiley, chairman of the legislative committee, General Federation of Women's Clubs.

Mr. Goodman said that in 24 years he does not recall any development that has concerned our Protestant leaders quite as much as the FCC regulations. He said his group was opposed to any regulations that may cause confusion in present-day radio.

Replying to Senator Bone he said his statement was in blanket opposition to the regulations but that it was particularly concerned with the possibility of a change of ownership in the Blue network. He said his group was concerned because they have facilities from that network greater than from all other networks combined.

Mr. Heffron said "we do not feel we have any sufficient way of predicting the overall effect of the regulations but we do feel the FCC should determine such effect." He added his group believes the rules should not destroy or impair public service programs as now constituted.

Mrs. Wiley submitted a Federation resolution asking further study of the radio problems by a Senate committee and also endorsed the White Resolution.

AP BEGINS NEW TELESCRIPT SERVICE

PRESS ASSN., the Associated Press subsidiary which handles news for radio, has announced the inauguration of "Telescripts," a new treatment of special radio news features involving complete scripts cued for music or appropriate sound effects. Six original AP features already have been adapted to the new technique and others will be added. Those six, currently sent to PA subscribers daily, are *The Sportsman, Listen Ladies, Farm Fair, Hollywood and Broadway, Flashes of Life,* and *Between the Lines.*

According to Tom O'Neil, PA's radio news editor, the "Telescripts" are so named "because they really are complete scripts transmitted to stations over the regular news teletype. They are a radical departure from the sketchy, item-by-item features which stations in the past have received . . . and appear to be the answer to a good many program problems." He added that a special department has been created at PA with suitable talent to handle the new service.

PA also announced that 25 additional stations have signed for AP service in the last three weeks, while 12 stations previously receiving the regular AP news report have changed to the special radio wire in the same period. New stations are WJAX WHEB WSUN WGGA WALB WISH WGRC KFH WSMB WTCN WDGY KHMO KGHL WFMJ KOCY WBRE KCMC KPOW KPLT KEVR WIND KBIX KBUR WLNH KGKY.

MBS Contract

(*Continued from page 10*)

cast rights upon one-week notice. The law department commented on this latter proviso. "This provision does raise a question whether other stations will find it feasible to carry MBS' rejected programs".

The contract term is one year, with automatic renewal clause which is effective unless either party gives notice 30 days prior to the normal expiration date of the contract. The affiliate is not bound to take any particular MBS program if time in that certain spot has been sold for a period, but the affiliate is prevented from optioning time to other networks, the law department held.

The affiliated station also is given the responsibility of rejecting network programs if they are reasonably believed unsatisfactory or unsuitable and of rejecting programs it has committed itself to carry if it believes them contrary to public interest or if it becomes desirable to substitute programs of outstanding national and local importance, the law department indicated.

Law Dept. Comment

The contract gives MBS authority to terminate firm commitments for commercial programs if the affiliation contract is terminated during the period of commitment. On this point the law department commented that it does not violate the rules, but it should be watched because it may give the network a degree of dominance.

In transmitting its report to the Commission, the legal department noted that the proposed contract was scheduled for presentation to the MBS stockholders' meeting June 17, commenting that FCC approval would eliminate uncertainty and assist affiliates in considering the contract form if the FCC indicates the form as offered was in substantial compliance with the rules. It was stated also that if MBS can succeed in arranging for affiliations upon these terms, it would be a "strong practical demonstration" of the feasibility of network operation under the regulations.

FIFTY GRAND a CBS

KFDM
THE PAYOFF STATION
LOCATED IN THE VERY HEART OF
TEXAS' BOOMING GULF COAST INDUSTRIAL AREA
KFDM BEAUMONT
NBC BLUE 560 KC
FULL TIME 1000 WATTS
Represented By
HOWARD H. WILSON COMPANY

INS
The INS staff in Washington, scene of important and vital news developments, comprises veteran and experienced reporters.
INTERNATIONAL NEWS SERVICE

WRNL
ALWAYS RINGS THE BELL
IN RICHMOND, VIRGINIA
NBC BLUE • 1000 WATTS

ACTIONS OF THE FEDERAL COMMUNICATIONS COMMISSION

JUNE 14 TO JUNE 20 INCLUSIVE

Decisions . . .

JUNE 16

WTMC, Ocala, and WDLP, Panama City, Fla.—Amended order designating revocation hearing locale to specify June 16 at Jacksonville and thereafter at Ocala and Panama City.

JUNE 17

NEW, Standard Broadcasting Co., Los Angeles—Granted CP new FM station 43.5 mc, 7,000 sq. mi.

NEW, Muzak Corp., New York—Granted CP new FM station 44.7 mc, 8,500 sq. mi.

NEW, Interstate Broadcasting Co., New York—Granted CP new FM station 45.9 mc, 8,500 sq. mi.

NEW, City of New York Municipal Broadcasting System, New York—Granted CP new FM station 43.5 mc to cover 3,900 sq. mi.

MISCELLANEOUS — **WCBD, Chicago,** granted modification of CP to decrease to 5 kw increase hours to sunset at Fort Worth and denied petition of WOSU for rehearing in matter; **KWLM, Willmar, Minn.,** Granted CP change transmitting equipment increase to 250 w 1340 kc; **W2XB, New Scotland, N. Y.,** Granted modification license to change frequency to Channel No. 3.

SET FOR HEARING—**WSAM, Saginaw, Mich.,** modification of license to 250 w unl. 1400 kc; **NEW, James F. Hopkins Inc., Ann Arbor, Mich.,** CP new station 1600 kc 1 kw unl.

Placed in pending file under Order No. 79—**NEW, J. I. Sims, Orangeburg, S. C.,** CP new station; **NEW, Fort Smith Newspaper Publishing Co., Fort Smith, Ark.,** CP new station.

JUNE 20

Newspaper-Radio hearing postponed from 6-25-41 to 7-23-41

Applications . . .

JUNE 19

WNAB, Bridgeport, Conn. — Granted modification of CP new station to change transmitter.

WTJS, Jackson, Tenn.—Modification of CP for transmitter change.

JUNE 17

NEW, Utica Broadcasting Co., Utica, N. Y.—CP new station 1450 kc 250 w unl.

NEW, Norfolk County Broadcasting Co., Norfolk, Va.—CP new station 1490 kc 250 w unl., contingent on WBOC going to 1230 kc.

WGAA, Cedartown, Ga.—Modification of CP for transmitting equipment changes.

NEW, Bernard N. Walker, Concord, N. C.—CP new station 1400 kc 250 w unl.

KBIZ, Ottumwa, Ia.—Modification of license for increase to 250 w unl.

KGGF, Coffeyville, Kan.—Amend application for CP to increase to 1 kw unl. on 690 kc.

KDB, Santa Barbara, Cal. — Transfer control from Thomas S. Lee and R. D. Merrill, executors of estate of Don Lee, deceased, to Don Lee Broadcasting Co.

KGIW, Alamosa, Col.—CP increase to 250 w, install new transmitter.

JUNE 19

NEW, NBC, New York—CP new television station Channel No. 1.

NEW, Northwestern Pennsylvania Broadcasters Inc., Wilkes-Barre, Pa.—CP new station 1240 kc 250 w unl., facilities WBAX.

NEW, San Jacinto Broadcasting Co., Houston CP new station 1470 kc 1 kw unl., facilities vacated by KXYZ.

WGOV, Valdosta, Ga.—CP new transmitter, increase 500 w N 1 kw D change to 1460 kc.

NEW, Imes-Weaver Broadcasting Co., Murphreesboro, Tenn. — CP new station 1240 kc 250 w unl., facilities of WSIX.

KBKR, Baker, Ore.—Voluntary assignment license to Baker Broadcasting Co.

WIAC, San Juan, P. R.—Modifiaction of CP to change equipment, increase to 5 kw unl.

Tentative Calendar . . .

JUNE 24

WTEL, Philadelphia — CP change to 1500 kc 250 w unl.

JUNE 25
(consolidated hearing)

WCAM, Camden, N. J.—License renewal; **WCAP, Asbury Park, N. J.,** license renewal; **WTNJ, Trenton, N. J.,** license renewal and CP change 1230 kc 1 kw unl direction; **WDAS, Philadelphia,** CP change 1260 kc 1 kw N 5 kw D directional N.

JUNE 27

WRDO, Augusta, Me.—License renewal.

WOOD, Grand Rapids, Mich.—Voluntary assignment of license to WOOD Broadcasting Co.

JUNE 30

NEW, KNOE, Monroe, La.—CP new station 1420 kc 250 w unl.

KFNF, Shenandoah, Ia.—License renewal. (consolidated hearing)

WPAY, Portsmouth, O.—Transfer control to the Brush-Moore Newspapers Inc.; license renewal.

JULY 30

WABY, Albany, N. Y.—Modification of license 1210 kc 250 w unl.

AUGUST 6

KGLU, Safford, Ariz.—License renewal.

AUGUST 25

KDRO, Sedalia—CP change 800 kc 1 kw D.

Improves Outlets

GENERAL ELECTRIC'S three shortwave stations will be made even more effective by new transmitting equipment now being installed in Schenectady and San Francisco, according to R. S. Peare, GE manager of broadcasting. WGEA, Schenectady, and KGEI, San Francisco, operating at 25,000 and 20,000 watts respectively, are both being increased to 50,000 watts as of July 1. WGEO, Schenectady, licensed for 100,000 watts and long famous as the most powerful shortwave broadcasting station in the western hemisphere, is also receiving new equipment to increase further its effectiveness late in August.

AFRA Signs WTAM

AMERICAN Federation of Radio Artists has signed a contract with NBC covering the announcing staff of WTAM, Cleveland, eighth NBC M&O station to be signed by the union. Contract is standard, providing for an AFRA shop, five-day 40-hour week and extra pay for commercial programs, and gives the staff immediate wage increases ranging from 10-20%. AFRA is now negotiating with WQXR, New York, for a renewal of the present contract for staff announcers which expires July 1.

Simpers Disbands

ROBERT S. SIMPERS, president of The Simpers Co., New York advertising agency, has announced the discontinuance and liquidation of the company. Most of the staff has been placed elsewhere, Mr. Simpers stated, and he plans to join J. Walter Thompson Co., New York, July 1.

Maj. Bowes Recovering

MAJ. EDWARD BOWES, noted radio showman, on June 19 underwent an operation in Doctors Hospital, New York, for incarcerated ventral hernia. The operation proved successful and as BROADCASTING went to press, the major was reported "resting comfortably." Chrysler Corp., Detroit, sponsor of the *Major Bowes Amateur Hour* on CBS, has arranged a temporary substitute program in the Thursday 9-10 p.m. period pending his full recovery. Program started June 19 and features Morton Gould's Orchestra.

JERRY VOYER, 27, salesman of KSTP, St. Paul, and his companion, Miss Blanche Blundell, 26, Minneapolis model, were instantly killed June 15 when Voyer's car collided with another machine.

"Solve Platter Matter with 1300A Reproducer Set"

says Chief Engineer

"If present reproducer is member of tribe long extinct . . . if programs suffer . . . hunt up Graybar messenger telling tale of Western Electric 1300A Reproducer Set," says Chief Engineer.

"You'll discover it includes the 300A Reproducer Panel . . . turntable, motor switch, speed change switch, combined impedance matching coil and variable equalizer—four distinct output impedances and 7 reproducing characteristics."

Write for Bulletin T1631: Graybar Electric Co., Graybar Bldg., New York, N. Y.

Western Electric

Network Accounts

All time EDST unless otherwise indicated.

New Business

PACIFIC COAST BORAX Co., New York (Boraxo, 20 Mule Team Flakes), on July 3 starts *Death Valley Days* on 58 CBS stations, Thurs., 8-8:30 p.m. (repeat, 12:30-1 a.m.). Agency: McCann-Erickson, N. Y.

ANACIN Co., Jersey City, on June 21 started *America the Free* on 59 NBC-Red stations, Sat., 10:30-11 p.m. Agency: Blackett-Sample-Hummert, N. Y.

ANACIN Co., Jersey City (headache tablets), on June 23 started *Front Page Farrell* on 78 MBS stations, Mon. thru Fri., 1:30-1:45 p.m. Agency: Blackett-Sample-Hummert, N. Y.

LUTHERAN LAYMEN'S LEAGUE, Boston, on Oct. 19 starts 26 half-hour programs on 11 Colonial stations, Sun., 1:30-2 p.m. Agency: Kelly, Stuhlman & Zahrndt, St. Louis.

BROWN & WILLIAMSON TOBACCO Corp., Louisville (Avalon cigarettes), on June 19 started for 52 weeks *Twilight Trails*, transcribed musical on 32 Don Lee Pacific Coast stations, Tues., Thurs., Sat., 6:15-6:30 p.m. (PST). Agency: Russell M. Seeds Co., Chicago.

Renewal Accounts

LEVER BROS. Co., Cambridge (Spry), on June 23 renews *Aunt Jenny's Real Life Stories* on 61 CBS stations, Mon. thru Fri., 11:45 a.m.-12 noon (reb., 2:15-2:30 p.m.). Agency: Ruthrauff & Ryan, N. Y.

LEVER BROS. Co., Cambridge (Rinso), on June 23 renews *Big Sister* on 73 CBS stations, Mon. thru Fri., 11:30-11:45 a.m. (reb., 2:2:15 p.m.). Agency: Ruthrauff & Ryan, N. Y.

LEVER BROS Co., Cambridge (Lifebuoy soap), on July 9 renews for 52 weeks *Meet Mr. Meek* on 60 CBS stations, Wed., 7:30-8 p.m. Agency: Wm. Esty & Co., N. Y.

AMERICAN CHICLE Co., Long Island City (Dentyne Gum-Chiclets), on June 30 renews for 33 weeks *Ben Grauer's Drama Behind the News* on 71 NBC-Blue stations, Mon., Wed., Fri., 5:30-5:45 p.m. Agency: Badger & Browning & Hersey, N. Y.

STERLING PRODUCTS Co., New York (Bayers Aspirin), on July 29 renews *Second Husband* on 75 CBS stations, Tues., 7:30-8 p.m. Agency: Blackett-Sample-Hummert, N. Y.

Network Changes

GENERAL FOODS Corp., New York (Grape Nuts), on July 4 replaces *Kate Smith Hour* with *Claudia & David* on 91 CBS stations, Fri., 8-8:30 p.m. Agency: Young & Rubicam, N. Y.

PEPSODENT Co., Chicago (toothpaste), on June 24 replaces for 13 weeks the *Bob Hope Show* with *A Date With Judy* on 63 NBC-Red stations, Tues., 10-10:30 p.m. (EDST). Agency: Lord & Thomas, Chicago.

LEVER BROS. Co., Cambridge, Mass. (lifebuoy), on June 20 switched *Hollywood Premiere* on 71 CBS stations from Fri., 10-10:30 (EDST) to Fri., 9:30-10 p.m. (EDST). Agency: William Esty & Co., N. Y.

CLASSIFIED Advertisements

Help wanted and Situations Wanted, 7c per word. All other classifications, 12c per word. **Bold face** listings, double. BOLD FACE CAPS, triple. Minimum charge $1.00. Payable in advance. Count three words for box address. Forms close one week preceding issue.

Help Wanted

Wanted—Experienced news and commercial announcer. Box 616, BROADCASTING.

Wanted—Engineer capable of taking responsibility composite transmitter maintenance. Box 615, BROADCASTING.

Salesmen—Regional and Exclusive Market desires experienced salesmen. Send full particulars to Box 614, BROADCASTING.

Licensed Operator—For transmitter and studio. Eastern New York. Gentile. State qualifications. Box 601, BROADCASTING.

Salesman—Excellent opportunity for right man, in progressive local station, large Midwest city. Box 619, BROADCASTING.

Local Salesman—Draft exempt, for immediate opening midwest station. Network affiliation. Good market. Fine opportunity. Write KWOS, Jefferson City, Missouri.

Wanted—Experenced man with money to purchase stock in Station. Take over management. Only well experienced man with capital considered. Box 608, BROADCASTING.

Experienced Salesman—Wanted at once for local accounts. Must be clean-cut, aggressive, and able to furnish good references. Position with new mid-western local station. Send picture, full particulars, and references first letter. Box 609, BROADCASTING.

Situations Wanted

Sports Announcer—Of outstanding ability who has been doing sport reviews, and play-by-play in major league baseball, hockey, wrestling, football, etc., for the past ten years in a city of approximately one million people. Agreeable to start with a reasonable salary, but must have quick offer. Unusual local situation necessitates change. Excellent references. Box 620, BROADCASTING.

Girl, Single, 26; Experienced—Programming, continuity writer, mike. Excellent reference. Box 602, BROADCASTING.

Announcer-Salesman—Good. Five years experience network affiliates. Conscientious worker. Ideas. Box 607, BROADCASTING.

Experienced—Female continuity writer. Also have featured woman's program. Voice good. Excellent references. Box 611, BROADCASTING.

CBS Man With Exceptional Qualifications—Desires chief engineer or supervisory position. 1 to 50 kw. Locate anywhere. Box 604, BROADCASTING.

Engineer—Five years as chief engineer with excellent recommendations. Ten years in broadcast work. University education. Box 605, BROADCASTING.

Production-Program Manager—Also announcer, writer—fourteen years' experience—will go anywhere—employed but wants to make a change. Box 610, BROADCASTING.

Salesmanager—10 years radio—31—married—high record of personal sales—real results with sales staff—desires to manage-salesmanage mid-west station. Box 603, BROADCASTING.

Salesman—Now employed. Aggressive, imaginative, good personality, conscientious. Extensive newspaper background. Three years radio. Seeks connection local outlet needing new blood and results. 1000 W preferred. Box 618, BROADCASTING.

Situations Wanted (Continued)

Available Now—Announcer, News, Programs, Idea man. Long Eastern experience. Reliable, energetic, intelligent. Prefer far west or seaboard. Own ticket. Nominal salary. Box 613, BROADCASTING.

Progressive, Alert Announcer-Producer—With creative ideas and proven ability, now with network affiliate, desires association with progressive California station. Can double equally well as singer, actor, writer. Box 606, BROADCASTING.

ARE YOU WILLING—To pay $200.00 monthly to young draft exempt man, thoroughly familiar with station routine—whose past nine years experience include program directorship and production management—with A-1 references from present employers? Audience-building ideas based on previous showmanship; versatile, prolific writing and performing ability! Can double as cowboy singer—old-time fiddler—popular violinist—modern or hillbilly guitarist—characters—dramatist—market reporter—newscaster—special eventer—control operator—producer and emcee all stage shows! Mail pull announcer with varied background of merchandising, advertising and sales-work. Present position secure but want immediate new connection with progressive middlewest station. Will consider managing small station on profit sharing basis. Box 612, BROADCASTING.

Wanted to Buy

Wanted—Used 100 or 250 watt broadcast transmitter in good condition. State price and particulars. Box 617, BROADCASTING.

For Sale

For Sale—My RCA TMV-75-B field intensity equipment is now on rental in South Carolina. I still want to sell it. Herb Hollister, KANS, Wichita, Kansas.

$7500 a year man

★ . . . **with successful executive record seeks permanent connection with radio station. Will make reasonable sacrifice in earnings for position with good possibilities for intelligent hard worker. Employed now—excellent reasons for seeking change. Eight years agency and newspaper; five years of radio experience includes promotion, construction and management of successful independent station. Very familiar with FCC requirements and proceedings. Capable of organizing or reorganizing a station on a smooth running, profitable basis. Will furnish complete record and references to all interested parties. Please state your problems and proposition clearly and frankly—information will be held in confidence. Address Box 621, BROADCASTING.**

LATEST series of transcriptions supplied to clients of United Press introduces A. L. Bradford, newly-appointed radio news manager in the New York office, describing his news-gathering experiences on four continents. Other side of the UP disc presents Joan Younger, women's editor of the UP radio department, in interviews with Broadway stars.

Matthew F. Burns

MATTHEW F. BURNS, 51, a resident of Los Angeles, and vice-president of RCA Mfg. Co., died at Mayo Clinic, Rochester, Minn., June 16. He received back injuries in a fall while in New York three months ago. Surviving are his widow, Mrs. Ida E. Burns, and a son, Richard V. Burns.

Folger Test

J. A. FOLGER & Co., Kansas City, (coffee), on June 16 started a special test campaign of five-weekly ten-minute news programs on WHLB, Virginia, Minn. Contract is for 13 weeks. Agency is Lord & Thomas, Chicago.

Bif Discs

UNION OIL Co., Los Angeles, is promoting Bif fly spray with a varying schedule of one-minute transcribed announcements on KFSD KOY KBKR KERN KIDO KXO KMJ KFBK KIT KVI KQW KVEC KTMS KHQ. Lord & Thomas, Los Angeles.

PROFESSIONAL DIRECTORY

JANSKY & BAILEY
An Organization of
Qualified Radio Engineers
Dedicated to the
SERVICE OF BROADCASTING
National Press Bldg., Wash., D. C.

McNARY & CHAMBERS
Radio Engineers
National Press Bldg. DI. 1205
Washington, D. C.

There is no substitute for experience
GLENN D. GILLETT
Consulting Radio Engineer
982 National Press Bldg.
Washington, D. C.

PAUL F. GODLEY
Consulting Radio Engineer
Phone: Montclair (N. J.) 2-7859

JOHN BARRON
Consulting Radio Engineer
Specializing in Broadcast and Allocation Engineering
Earle Building, Washington, D. C.
Telephone NAtional 7757

PAGE & DAVIS
Consulting Radio Engineer
Munsey Bldg. District 8456
Washington, D. C.

HECTOR R. SKIFTER
Consulting Radio Engineer
FIELD INTENSITY SURVEYS
STATION LOCATION SURVEYS
CUSTOM BUILT EQUIPMENT
SAINT PAUL, MINNESOTA

A. EARL CULLUM, JR.
Consulting Radio Engineer
Highland Park Village
Dallas, Texas

CLIFFORD YEWDALL
Empire State Bldg.
NEW YORK CITY
An Accounting Service
Particularly Adapted to Radio

Frequency Measuring Service
EXACT MEASUREMENTS
ANY HOUR—ANY DAY
R.C.A. Communications, Inc.
66 Broad St., New York, N.Y.

Radio Engineering Consultants
Frequency Monitoring
Commercial Radio Equip. Co.
Main Office: 7134 Main St. Kansas City, Mo.
Crossroads of the World Hollywood, Cal.

RAYMOND M. WILMOTTE
Consulting Radio Engineer
Designer of First Directional Antenna Controlling Interference
Bowen Bldg. • WASH., D. C. • DI. 7417

RING & CLARK
Consulting Radio Engineers
WASHINGTON, D. C.
Munsey Bldg. • Republic 2347

Advertise in BROADCASTING for Results!

Video Rate Card Prepared by NBC For July 1 Start

DuMont and CBS Progressing With Television Plans

FIRST television rate card is expected to be announced momentarily by NBC for W2XBS, its television transmitter in New York. Network's television executives were conferring on the rate schedule and planning to proceed immediately to contact the numerous advertisers who have expressed interest in getting in at the offset of this newest advertising medium last weekend, following notification that the FCC had approved NBC's application for commercial television operation in New York.

The Commission acted with unusual promptness in granting the network's application, which covered not only W2XBS but W3XBN in Washington and a new station to be constructed in Philadelphia. Application was filed Monday and granted Wednesday. W2XBS, which has been operating on a thrice-weekly schedule since last fall, will on July 1 commence full 15-hour weekly operation, it was said. Full program plans were reported to be completed and approved but NBC has announced only that it will be on the air with sight-and-sound programs some time between 2 and 11 p.m. six days a week.

Free Adjustments

W3XNB, Washington, will probably be ready to start testing in November and to start commercial service by next March, it was said, and it is hoped the Philadelphia station will be in operation by July 1, 1942, although progress in Philadelphia will depend on that made in New York and Washington and also on the availability of equipment.

Coincident with the filing of the NBC applications, RCA announced it would adjust all RCA television receivers in the New York area to conform to the new standards, these changes to be made without cost to the set owners or to RCA dealers or distributors. No information could be obtained as to when such changes would be started or how long it would take to convert the 2,000 or more RCA sets in this area, however. Neither would RCA officials comment on the number of video receivers to be manufactured this year.

A letter which accompanied the NBC applications called attention to the fact that "national defense work take precedence over all other activities" at RCA. The letter continues: "RCA recognizes, however, that civilian pursuits must continue and be curtailed completely only in extreme emergency. We believe, as always, in the future of television and are confident that in it is the future method of mass communication which will carry radio broadcasting far beyond its present state of development."

Allen B. DuMont Labs., whose New York video station, W2XWV, is currently in the testing stage preparatory for the required 15-hour weekly schedule after July 1, is also expected to set up a commercial rate schedule and begin offering its facilities to advertisers within the week. A television manufacturer as well as a broadcaster, DuMont is also planning to adapt its sets already sold to the new standards without expense to the owners.

CBS, whose New York video transmitter, W2XAB, has been assigned to a frequency which most of the television sets are not adjusted to receive, is not expected to inaugurate a commercial schedule until the present receivers have been adjusted to provide an audience for CBS programs. It is planning, however, to start the 15-hour schedule with NBC and DuMont, complying with the FCC requirements and affording a good testing period for its own staff.

CBS Fixes Schedule

CBS has tentatively set up a schedule for television programs as follows: Monday through Friday, 2:30 to 3:30 and 8 to 9:30 p.m.; Saturday, 2 to 4 and 8 to 10 p.m. CBS plans no Sunday transmissions at the beginning. Hesitancy in making a more definite announcement was attributed to the difficulty in obtaining trained personnel, equipment and replacement parts. CBS has no assurance that it will be able to get studio pickup tubes when its present ones give out, it was stated. Meanwhile, CBS television engineers are continuing their experiments with color transmission at top speed, collecting data for presentation to the FCC next January.

Time for Treasury

WILF BROTHERS, Philadelphia rug dealers, on June 16 offered to the U. S. Treasury Department its 15-minute news periods across-the-board on WFIL, Philadelphia. The donated time amounts to 52 quarter-hour periods at 8:45 a.m. each week-day morning. The offer was communicated through Philip Klein Adv. Agency, Philadelphia.

Expected OPM Backing for Fast Time Viewed as Speeding Action by Congress

DESPITE delay in organizing Administration forces to back the proposal, prospects continue to grow that some system of universal daylight saving time will be put into effect in this country shortly.

Present indications are that the Office of Production Management soon will issue a statement supporting establishment of daylight saving time, perhaps on a year-round basis, as a defense measure.

Rumored in the works for several weeks, the OPM statement is expected to emerge as soon as the Federal Power Commission completes a series of regional surveys designed to supply data on just what savings in power and other advantages would accrue from "fast time".

The FPC is understood to have completed six of its regional surveys and is expected to conclude the others shortly. The FPC already has indicated, on the basis of these studies, that DST appears to offer a partial remedy for the power shortage in the Southeast. With OPM as a spearhead of defense Administration backing, Congress is expected to proceed rapidly toward enacting a daylight saving statute similar to that in force during World War I.

A fourth daylight saving bill was introduced in the House last Wednesday by Rep. Flannery (D-Pa.).

STEELMAKERS SHIFT FROM MBS TO BLUE

WHEELING STEEL Corp., Wheeling, W. Va., will move its Sunday afternoon series, *Musical Steelmakers*, to NBC-Blue in October when it returns following a summer layoff to begin after its June 29 broadcast on MBS. Explanation for the switch was contained in a memorandum sent to MBS affiliates by Fred Weber, Mutual general manager, who charged that it is a "further demonstration of the control NBC exercises over its affiliates."

The advertising manager of Wheeling Steel, the memorandum stated, had previously expressed hope that Mutual might make a deal with ASCAP, but when the contract had been completed he rebuffed Mutual's suggestions that he use ASCAP music on his programs, agreeing with WWVA, Wheeling, which originates the program although it is an NBC affiliate, not to use any ASCAP music.

"He was then told," the memorandum continued, "that WWVA could feed Mutual under clearance at the source without an individual station license. Then at least two stations affiliated with Mutual and other networks wired they would not carry Wheeling with ASCAP music even with infringement exemption. Wheeling's advertising manager was then acquainted with the boycott aspects of the incident. This was resented by him and caused his cancellation order, because he agreed with WWVA to follow NBC's policy and use Mutual lines to impress stations with the absence of ASCAP music on a Mutual music program."

Tru-Ade Spots

TRU-ADE BOTTLING Co., Los Angeles (fruit beverage), through Beaumont & Hohman, that city, is currently using a series of one-minute transcribed announcements on WRC-WMAL, Washington, as well as participation five times weekly in *Happy Johnny* on WBAL, Baltimore. In addition the Tru-Ade Bottling Co. of Charleston is sponsoring for 13 weeks a weekly half-hour program titled *Tru-Ade Quiz Party* on WTMA, that city. Robert H. Schmelzer is account executive.

Government of Mexico Seizes XERA, Alleging Undue Foreign Influence

CHARGING undue influence by "foreign elements" and transmission of code messages without authority, the Mexican Government has seized and confiscated XERA, Villa Acuna, famous super-power border station identified with radio activities of Dr. John R. Brinkley. Seizure of the broadcast plant was accomplished June 9 by Mexican Federal army troops, at the direction of Mexico's President Avila Camacho, according to reports reaching the State Department in Washington.

President Camacho, in announcing the seizure, declared the confiscation was considered to be in the general interest of the mother country. He charged that XERA was held in the hands of certain foreign elements, some of them Nazi sympathizers, and that code messages were being sent over the station without authorization of the Mexican Government.

XERA, licensed to operate with 500,000 watts, but actually operating with a reported 180,000 watts, was termed "the third most powerful station in the world". The well-known border station, long operated by Dr. Brinkley, was forced to diminish its long-range service beamed to United States listeners when the Havana Treaty allocations went into effect March 29. Although no price has been announced, the Mexican Government has stated the owners will be indemnified and that it will take over operation of the station, the State Department reports indicated.

ARTIST GROUP SALE STILL UNSETTLED

DETAILS regarding the sale of Columbia Artists Bureau to Music Corp. of America have not yet been released by MCA, which said that no statement on personnel or the merger of activities will be made until later this month when the two units are more fully coordinated. It is understood that Lou Mindling, who recently joined Columbia Artists as assistant to Herbert Rosenthal, executive vice-president, will remain at CBS in the Program Service Department instead of rejoining MCA.

Officials of NBC stated that "no definite offers" had been received for the network's Artists Service, "nor has any price been set," although figures and data supplying an overall picture of the services operations have been given to prospective purchasers. A number of talent organizations are rumored as interested in acquiring all or part of NBC's booking bureau, with the William Morris Agency and MCA reported to be most actively interested.

Fire Destroys WFTM

FORCING the station off the air pending installation of new equipment, a fire of unknown origin in mid-June destroyed the building housing both the transmitter and studios of WFTM, Fort Myers, Fla., according to reports reaching the FCC. The estimated $15,000 damage was covered by insurance.

MAKE *Our* FRIENDS...

WAAB
Boston
WEAN
Providence
WICC
Bridgeport
New Haven
WLLH
Lowell
Lawrence
WSAR
Fall River
WSPR
Springfield
WLBZ
Bangor
WFEA
Manchester
WNBH
New Bedford
WTHT
Hartford
WATR
Waterbury
WBRK
Pittsfield
WNLC
New London
WLNH
Laconia
WRDO
Augusta
WCOU
Lewiston
Auburn
WHAI
Greenfield
WSYB
Rutland
WELI
New Haven

...*Your* FRIENDS

IT just means getting acquainted through the *right* introduction and by the *accepted* method of continuing the friendship. Operations for accomplishing both of these requirements can be speedily arranged.

Your introduction in the 19 key markets covered by the local stations of The Colonial Network gives your product or service the benefit of loyal and friendly acceptance that years of community service have firmly established.

This spirit of goodwill starts working for you with your very first broadcast, right at the point of sale where you will get the MOST benefit.

"Stranger" stations from afar can't do this for you. Colonial Network local stations *can* . . . and *do!*

Memo to
ADVERTISERS

During the summer, New England will be host to approximately 3,000,000 vacationists from all over the country.

The Colonial Network will make friends for YOU among these people with money to spend.

The Colonial Network

21 BROOKLINE AVENUE · BOSTON — EDWARD PETRY & CO., INC., *National Sales Representative*

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XUM

"Elementary--
My dear Watson!"

"Boosting your sales to boom-time levels in the midwest's rural markets is no problem at all.

"For example, conservative state-federal statisticians declare that Nebraska's crop yields (another name for farm income) are mounting to the highest level in ten years.

"Thus, by simple deduction, you have found the *best* rural and small-town markets.

"Next, the task is to find the radio station which *dominates* these best markets.

"An easy task, for by such standards as listener response and sales response and sales results, KFAB proves itself to be far and away the most compelling advertising force for Nebraska and her neighbors.

"The next procedure is obvious . . . Watson . . . obvious."

The Station for Nebraska and her neighbors . . .

KFAB
LINCOLN

. . . and for the big *metropolitan market* in the middle west, use that 7-Point Plus Merchandising station in Omaha, Nebraska—
KOIL

DON SEARLE, GENERAL MANAGER
EDWARD PETRY & CO., NATIONAL REP'R . . .

BROADCASTING

The Weekly Newsmagazine of Radio Broadcast Advertising

June 30, 1941

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USE

KANS

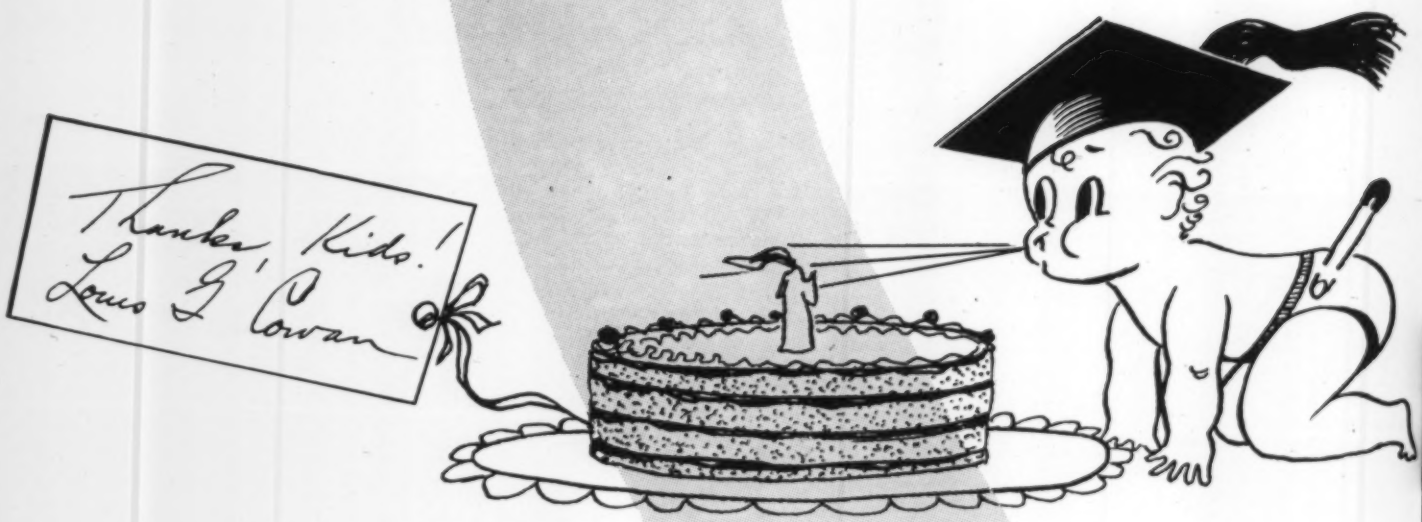
WICHITA, KANSAS

XUM

SUPER SKYRIDER
(Model SX-28)
Tunes from 550 kc. to
42 mc. Price $159.50.
IN 1941
It's Hallicrafters
MODEL S-31A (not illustrated)
High Fidelity 25-Watt Amplifier
for use with FM/AM Model S-31
Price $49.50.
RADIO COMPASS
(Model S-30)
Price $99.50.
FM/AM (Model S-27)
FM/AM (Model S-31)
Tunes from 540 kc. to
50 mc. Price $69.50.
THE SKY BUDDY
(S-19R)
Tunes from 550 kc. to
44 mc. Price $29.50.
SKY CHAMPION
(Model S-20R)
Tunes from 540
kc. to 44 mc.
Price $49.50.
MARINE
RADIOPHONE
(Model HT-11)
Price $149.50.
MARINE
RADIOPHONE
(Model HT-12)
FREQUENCY
STANDARD
(Model HT-7)
Price $29.50.
MODEL RSC-1—Tunes from 110 kc. to 165
mc. (1.82 to 2730 meters). Price $450.00.
NEW FM/AM RADIO RECEIVING STATION
(Model RSC-2) with 25-Watt High Fidelity
Amplifier. Price $140.00.
25-WATT PHONE AND
CW TRANSMITTER
(Model HT-6)
Price $99.00.
THE
SKYRIDER 32
(Model SX-32)
Tunes from 500
kc. to 40 mc.
MARINE
RADIOPHONE
(Model HT-8)
Price $290.00.
100-Watt Transmitter
Price $199.50.
The Hallicrafters Co.
CHICAGO, U. S. A.
USED BY GOVERNMENTS • SOLD IN 89 COUNTRIES

Quiz Kids

CELEBRATE THEIR FIRST BIRTHDAY



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MILES LABORATORIES
WADE ADVERTISING AGENCY
NBC BLUE NETWORK

AT THE FRONTS

EDWARD BEATTIE, Jr.
London
10 years' foreign experience

HENRY GORRELL
Palestine
6 years on foreign news fronts

HAROLD PETERS
Syria
12 years in Europe and Middle East

WALLACE CARROLL
London
12 years in Europe's capitals

"The World's Best Coverage

REYNOLDS PACKARD
Rome
15 years on foreign assignments

JOSEPH GRIGG, JR.
Berlin
9 years a foreign correspondent

HARRY PERCY
London
10 years covering England

JAN YINDRICH
Cairo
8 years covering European affairs

of the World's Biggest News"

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FREDERICK OECHSNER
Berlin
15 years' European experience

BEN AMES
Istanbul
5 years in Near and Middle East

RICHARD McMILLAN
Alexandria
12 years a reporter in Europe

RALPH HEINZEN
Vichy
16 years covering Western Europe

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